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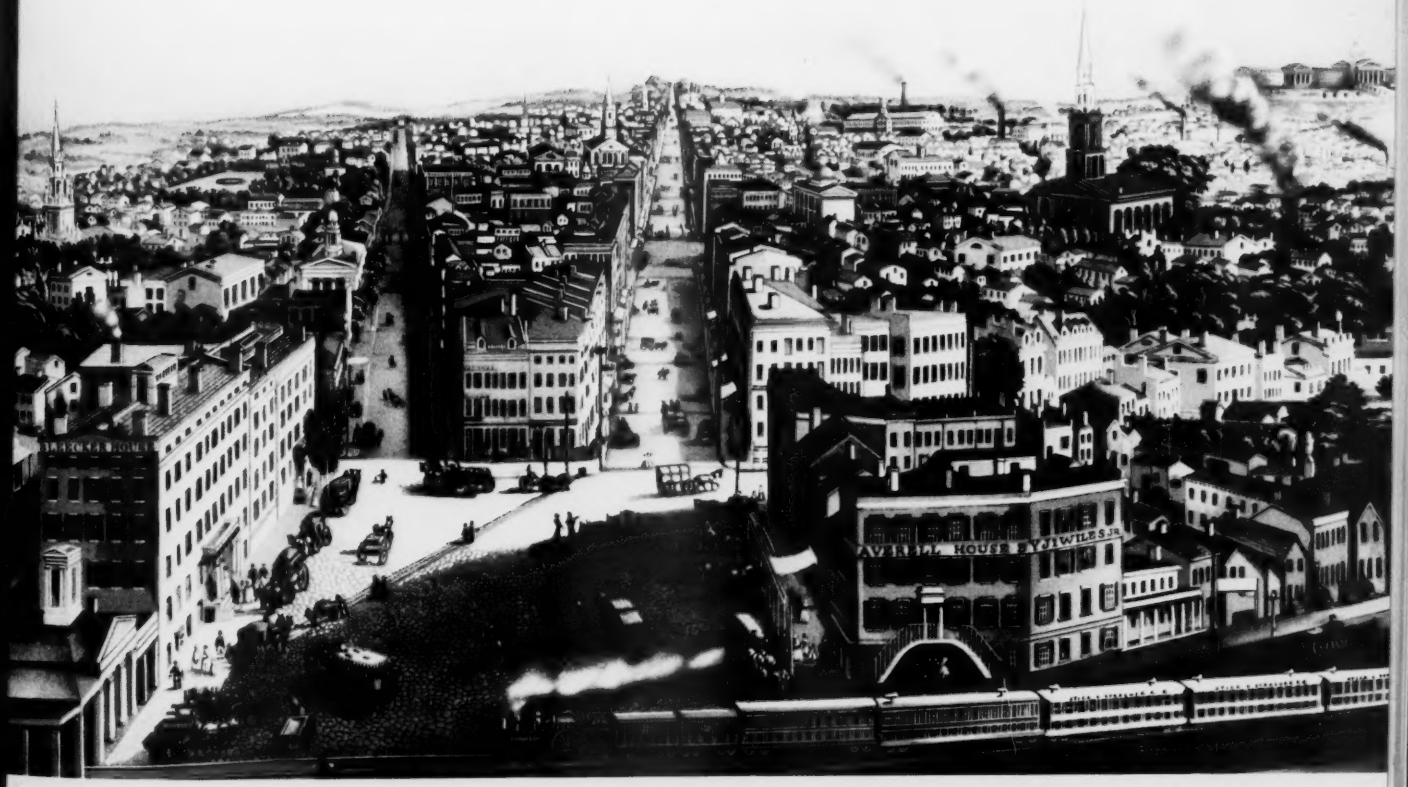
1 of a series of Century old cities - Utica



Thirty five cents

March 1941

This Month's Cover

UTICA

Drawn on stone by D. W. Moody and printed by F. Michelin, New York, the lithograph reproduced on the front cover is of Utica, New York, about 1850. In the foreground is Baggs Square and running back from it are John Street, at the left, and Genesee Street, at the right. In the middle ground on both streets the bridges which cross the Erie Canal are faintly discernible. To the left of Baggs Square is the Bleeker House and to the right of the square, the Averell House. On the high land in the extreme right background is the Utica State Hospital, built in 1836 and recently much expanded. Below the hospital and a little to the left is the First Presbyterian Church, destroyed by fire a few months after this drawing of the city. At the bottom is a train of the Utica & Syracuse Railroad, now a part of the New York Central System. The depot is the building with square pillars in the lower left-hand corner. . . . This print appears through the courtesy of the Pike Collection of the Chicago Historical Society. . . . Settled after the Revolution by Palatinate Germans from the lower Mohawk Valley, Utica was incorporated as a village in 1798, as a city in 1832. In 1940 it was a city of 100,500. Set down in the very center of New York State, industrial Utica is surrounded by dairy lands and truck gardens. A working city, it is at the southern gateway to the vacation country of the Adirondacks and the Thousand Islands. The value of Utica's manufactures in 1937 was $56,000,000; its larger industries include knitted underwear, malt liquors, paper, bakery products, ice cream, and men's and boys' clothing.

DUN'S REVIEW
for
MARCH, 1941

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Information about subscription rates on page 56. . . . Second cover photograph by H. Gene Lyon and H. DeWolf, courtesy Utica, N. Y., Chamber of Commerce. . . . Frontispiece by Hirzfoto Associates. . . . Printed in U. S. A

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1900

LAWRENCE D. THORNTON

NATIONAL DEFENSE *and the* CORNER STORE

Some Effects of the Defense Program on Local Retail Markets

A Report by the
RESEARCH AND STATISTICAL DIVISION
DUN & BRADSTREET, INC.

Now that defense program funds are being translated into consumer purchasing power, where is increased selling effort likely to be profitable? Which customers should have their credit line extended? This report has been directed toward answering such questions. Tables of new or growing Army posts and tables setting forth the industrial areas which are significantly affected by new contracts appear in the following pages. With them is a finding list of cities and towns which are near the new sources of consumer income.

TO PAY for a two-ocean navy, a 50,000-plane air force, and 1,400,000-man army, appropriations of 24 billion dollars have so far been made by Congress.

Up to February 1, 1941, the Federal Government had signed contracts with manufacturers and suppliers for 12 billion dollars worth of defense equipment and materials, ranging from bombs and battleships to zippers and mosquito netting. Other billions are scheduled to be spent by private industry for building and tooling new plants needed for defense production. Still other billions will be paid to officers, enlisted men, and draftees in the biggest peacetime army in this country's history.

That many contracts are still to be awarded is indicated by the figures in the summary table on page 9. By February 1, Government contracts had been signed for only two-thirds of the equipment provided for in the defense program, and less than half of the funds so far appropriated by Congress for the War and Navy Departments had been spent.

What all this adds up to is an industrial boom of major proportions, the more spectacular perhaps because of its disproportionate impact on the industries and areas producing or capable of producing the materials necessary for national defense.

The boom in defense materials is more or less taken for granted. Less obvious, perhaps, but of almost equal importance is the effect of defense spending on the production and distribution of consumers' goods. For the

Defense Contracts by Regions—Influence on Consumer Purchasing Power

(Probable purchasing power resulting from contracts awarded from June 1 to December 31, 1940)

Region	Contract Awards: Total June 1 to December 31, 1940 (Thousands of Dollars)	Contract Awards: Estimated Resulting Local Purchasing Power (Thousands of Dollars)	Principal Purposes of Contracts[1]	Retail Sales 1939: Specified Areas (Thousands of Dollars)	Retail Sales 1939: Total Region (Thousands of Dollars)	Population 1940: Specified Areas (Thousands)	Population 1940: Total Region (Thousands)
New England	1,835,303	1,080,300	S-O	2,557,777	3,315,562	6,152	8,437
Middle Atlantic	3,079,262	1,772,800	S-O	7,837,922	10,291,937	19,588	27,540
North Central	1,605,005	887,300	O-A	7,060,008	13,389,997	16,950	40,143
South Atlantic	1,549,993	909,000	S-C	2,093,650	4,368,941	4,445	17,823
South Central	509,000	296,000	C-S	1,568,263	4,946,395	3,552	23,843
Mountain Pacific	1,863,455	1,140,000	S-A	2,967,534	5,726,166	6,031	13,883
Continental U. S.	10,442,018	6,085,400	S-A	24,085,154	42,038,998	56,718	131,669

[1] Comparison of Estimated Resulting Local Purchasing Power and Retail Sales should be made only with the understanding that certain types of defense orders can be filled more quickly than others. Key to the symbols in this column: A = Airplanes, Engines, Parts, and Equipment; C = Construction Other than Ships; E = Equipment, Supplies, and Materials; O = Ordnance and Ammunition; S = Ship Construction and Equipment.

Purchasing power likely to result from contracts awarded to the end of 1940, is more than $6,000,000,000, but its total impact will not be immediate; some of it, from battleships, may be flowing five years from now.

billions paid to manufacturers of planes and ships and other defense materials will, for the most part, not come to rest with those manufacturers, but will be passed along in the form of wages and material purchases. The part paid out in wages will undoubtedly be spent—in large part—for everyday necessities and luxuries, and most of the amounts paid to raw material suppliers will be passed along as wages to the suppliers' employees. This vast sum will be supplemented by the payments to the armed forces, which are largely free to be spent on other things than the prime necessities.

Thus, even though the maker of guns may be the favorite son in a defense boom, the manufacturer and retailer of butter are decidedly not orphans. Their increased allowance may be made up of cast-off dollars, but there is no gainsaying the fact that their allowance is being increased. And a second-hand dollar is still legal tender.

These bags of defense money, like stones dropped in water, will create widening circles of ripples, which may be scarcely noticeable in a large community, yet look like tidal waves in a small economic mill-pond elsewhere. For instance, a powder plant being built in Charlestown, Ind., will bring thousands of construction workers and hundreds of employees to a town in which census-takers a year ago found only 939 inhabitants.

Adverse Effects

The reverse picture is that some towns, whose industries are neither vital nor adaptable to defense effort, may find themselves caught in an economic undertow. Not only will positive improvement be lacking, but workers may be enticed away by higher wages, or materials curtailed by priorities. Retail trade can dry up rapidly under such conditions. The present report lists no such towns and can only call attention to the problem.

Manufacturers of consumers' goods, regardless of where they are located, can reasonably expect a share of the increased consumer buying power. Retailers, if they are to benefit, must be located close to the consumers whose buying power is being increased. And it is a matter of geography that some retailers are "on location" and others are not.

To manufacturers and wholesalers of consumers' goods, the answers to certain questions are of great importance. Where should advertising be increased? Where is additional selling effort likely to be profitable? Which customers should have their lines of credit lengthened?

Such questions as these would be simple to answer if the manufacturer or wholesaler had the necessary data in the proper form. Unfortunately, all the required data are not available, and that information which can be obtained is seldom in convenient form.

THIS report on consumer purchasing power resulting from the national defense program is based on a survey by the Research and Statistical Division of Dun & Bradstreet, Inc. In charge of this continuing project, on which there will be further reports, is Walter Mitchell, Jr. He is assisted in tabulation and analysis by Robert L. Tebeau and Gerrard J. Jackman.

Data on contract awards are from the Bureau of Research and Statistics of the National Defense Advisory Commission. Estimates on the present size and future rate of growth of Army camps and flying fields are based on reports from the War Department and from local Dun & Bradstreet, Inc., offices.

To help answer the questions which manufacturers and suppliers are asking, the tables on pages 14-20 contain background data for appraising the impact of defense spending on local markets. For each industrial area now working on prime Government contracts, the tables present population figures, retail sales, contract awards up to the end of 1940, and an estimate of the amount of consumer buying power which these prime contracts for defense needs will bring into the community.

Detailed Estimates

For instance, an estimated total of 6 billion dollars of purchasing power (payroll) will be retained in those industrial areas now working on prime Government contracts. This, however, is no measure of the total defense boom, nor even of its total effect in those communities. The detailed estimates by industrial areas are more useful to sales and credit men, and are more significant in an economic sense.

Such estimates will not be completely accurate, but they are far better than no information, and are a more practical guide than the face values of the contracts. Practically every manufacturer working on defense orders must spend a substantial part of his receipts for materials and parts produced outside his community. The significant part is what remains.

The estimates of local buying power will also supplement the trade information in the Regional Trade Barometer department which appears regularly in DUN'S REVIEW. The Barometer's purpose is to paint an accurate picture of what has already happened; the chief utility of the buying power estimates lies in their prediction possibilities. They are meant to serve as indicators of what is likely to happen to the retail trade of particular localities.

In arriving at Estimated Resulting Local Purchasing Power, it is necessary to make certain assumptions. One assumption is that the difference between the amount received by the manufacturer (the contract award figure) and the amount paid out by him to suppliers and sub-contractors, represents local purchasing power — chiefly wages. Actually, that difference (called "value added by manufacture" in the Census) includes amounts paid for such items as interest, rent, and taxes, and amounts set aside for depreciation and repairs, and profits; practically, enough of it stays in the community to permit its use as an approximation of local purchasing power.

A second assumption is that "value added by manufacture," on defense contracts, has the same relationship to "value of products" (the contract award figure) as the Census has shown in the past; it has been assumed that each defense manufacturer will pay out the customary proportion of his receipts for materials.

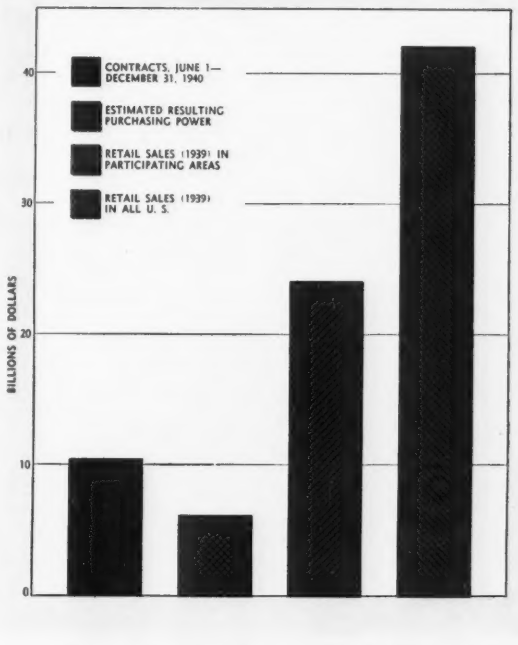
Sub-contracting

If the Government's efforts to encourage sub-contracting or "farming out" become widely successful, these published estimates of local purchasing power may became somewhat optimistic, for the business may be spread more widely into other communities. However, this possible shrapnel tendency—to break the purchasing power up into fragments—may be balanced by two other factors. Increased wage rates, plus overtime and night-shift premiums may tend to concentrate in those skilled trades involved in final manufacture of guns, tanks, aircraft and other complex products. This in turn would tend to hold purchasing power at the point of prime contract. Secondly, press reports indicate a strong tendency for prime contractors to carry out their usual manufacturing processes in order to maintain quality control or for other reasons. Current field-checking by DUN & BRADSTREET offices will help determine the extent to which sub-contracting alters the distribution of defense program purchasing power. Significant findings will be reported in later revisions of the data.

The raw material on which the current estimates are based is the latest available data on prime defense contracts,[1] as compiled by the Bureau of Research and Statistics of the National

INFLUENCE OF DEFENSE CONTRACTS ON CONSUMER PURCHASING POWER

(Probable purchasing power resulting from contracts awarded from June 1 to December 31, 1940)



The six billions of purchasing power which may result from contracts awarded to the end of 1940 amount to one-quarter of 1939 retail sales in the affected areas.

[1] Prime contracts are those awarded by the Government. Sub-contracts awarded by prime contractors are not included in the tabulations.

ALPHABETICAL INDEX

(Code numbers refer to Army posts and to industrial areas—see tables; code numbers 100-699 refer to pages 14-20, 700-799 to pages 12-13. It is advisable to consult the text of the accompanying article before making extensive use of these finder lists.)

City, Town, or Camp	Code Number
Aberdeen, Md.	701, 722
Aberdeen Proving Ground, Md.	701
Abilene, Tex.	703
Akron, Ohio	301
Albany, N .Y.	201
Albuquerque, N. M.	702
Albuquerque Air Corps Station, N. M.	702
Alexandria, La.	501, 705, 715, 739
Alexandria, Va.	425, 706
Alhambra, Calif.	603
Aliquippa, Pa.	212
Allentown, Pa.	202
Alton, Ill.	330
Anadarka, Okla.	759
Anderson, S. C.	401
Annapolis, Md.	403
Anniston, Ala.	503, 744
Ansonia, Conn.	103
Asbury Park, N. J.	747
Ashland, Wis.	302
Atlanta, Ga.	402
Aurora, Ill.	307, 740
Austin, Tex.	502
Ayer, Mass.	720
Baltimore, Md.	403, 701, 722, 729, 745
Barberton, Ohio	301
Barkley, Camp, Tex.	703
Barksdale, Wis.	302
Barksdale Field, La.	703
Bath, Me.	101
Battle Creek, Mich.	316, 718
Bay City, Mich.	303
Bay City, Tex.	731
Bayonne, N. J.	209
Beacon, N. Y.	213
Beaufort, S. C.	419
Beaumont, Tex.	518
Beauregard, Camp, La.	705
Bel Air, Md.	701
Beloit, Wis.	304
Belleville, Ill.	330, 756
Belvidere, Ill.	315
Belvoir, Fort, Va.	706
Benning, Fort, Ga.	707
Benton Harbor, Mich.	305
Berkeley, Calif.	608
Bethlehem, Pa.	202
Beverly, Mass.	102
Biloxi, Miss.	523
Binghamton, N. Y.	207
Birmingham, Ala.	501
Bisbee, Ariz.	730
Blanding, Camp, Fla.	708
Bliss, Fort, Tex.	709
Bloomfield, N. J.	209
Bossier, La.	704
Boston, Mass.	102
Bowie, Camp, Tex.	710
Bowman Field, Ky.	711
Bragg, Fort, N. C.	410, 712
Bridgeport, Conn.	103
Bristol, Conn.	106
Brooklyn, N. Y.	209
Brownwood, Tex.	504, 710
Buffalo, N. Y.	203
Burlington, Vt.	104
Butler, Pa.	204
Callan, Camp, Calif.	713
Cambridge, Mass.	102
Camden, N. J.	211
Carnegie, Pa.	212
Carthage, N. Y.	750
Cedar Rapids, Iowa	327
Central Falls, R. I.	113
Champaign, Ill.	714
Chanute Field, Ill.	306, 714
Charleston, S. C.	404
Charleston, W. Va.	405
Charlotte, N. C.	406
Chattanooga, Tenn.	407
Chester, Pa.	211
Cheyenne, Wyo	765
Chicago, Ill.	307, 758
Chickasha, Okla.	759
Chicopee, Mass.	114
Cincinnati, Ohio	308
Claiborne, Camp, La.	715
Cleveland, Ohio	309
Cohoes, N. Y.	201
Coleman, Tex.	710
Collinsville, Ill.	756
Columbia, S. C.	411, 733
Columbus, Ga.	408, 707
Columbus, Ohio	310
Corning, N. Y.	205
Corpus-Christi, Tex.	505
Council Bluffs, Iowa	329
Covington, Ky.	308
Crockett, Fort, Tex.	716
Croft, Camp, S. C.	717
Custer, Fort, Mich.	718
Cuyahoga Falls, Ohio	301
Dallas, Tex.	506
Danbury, Conn.	103
Davis, Camp, N. C.	719
Dayton, Ohio	312
Dearborn, Mich.	313
Denver, Colo.	601, 740
Derby, Conn.	103
Detroit, Mich.	313
Devens, Fort, Mass.	720
Dix, Fort, N. J.	721
Dover, N. J.	206
E. Liverpool, Ohio	427
E. St. Louis, Ill.	330
Easton, Pa.	202
Edgewood Arsenal, Md.	722
Edwards, Camp, Mass.	723
Elgin, Ill.	307
Elizabeth, N. J.	209
Elizabethtown, Ky.	735
Elkhart, Ind.	314
Elkin, N. C.	409
Elmira, N. Y.	205
El Paso, Tex.	507, 754
El Segundo, Calif.	612
Elyria, Ohio	309
Endicott, N. Y.	207
Englewood, N. J.	740
Erie, Pa.	208
Eustis, Fort, Va.	724
Evanston, Ill.	307
Fall River, Mass.	113
Falmouth, Mass.	105, 723
Fayetteville, N. C.	410, 712
Fayetteville, Tenn.	725
Fitchburg, Mass.	720
Fond du Lac, Wis.	323
Forrest, Camp, Tenn.	725
Fort Worth, Tex.	506
Freeport, Ill.	315
Fry, Ariz.	730
Gadsden, Ala.	508
Gainesville, Fla.	708
Galveston, Tex.	716
Garden City, N. Y.	746
Gary, Ind.	307
Glendale, Calif.	603
Grand Rapids, Mich.	322
Granite City, Ill.	330
Grant, Camp, Ill.	726
Greensboro, N. C.	412
Groton, Conn.	109
Gulfport, Miss.	523
Haan, Camp, Calif.	727
Hagerstown, Md.	413
Hamilton, Ohio	308
Hammond, Ind.	307
Hampton, Va.	736, 748
Hancock, Fort, N. J.	728
Hartford, Conn.	106
Hattiesburg, Miss.	509, 757
Haverhill, Mass.	102
Havre de Grace, Md.	701, 724
Hawthorne, Nev.	602
Hazleton, Pa.	216
Hempstead, N. Y.	746
Herkimer, N. Y.	210
Highland Park, Ill.	758
Highlands, N. J.	728
High Point, N. C.	412
Highwood, Ill.	758
Hillsdale, Mich.	316
Hinesville, Ga.	760
Hoboken, N. J.	209
Holabird Quartermaster Depot, Md.	729
Holyoke, Mass	114
Hopewell, Va.	737
Houston, Tex.	510
Huachuca, Fort, Ariz.	611, 730
Hulen, Camp, Tex.	731
Huntington, W. Va.	405
Hutchinson, Kan.	331
Indianapolis, Ind	317
Indianhead, Md.	414
Indiantown, Pa.	732
Irvine, Pa	208
Jackson, Mich.	316
Jackson, Fort, S. C.	411, 733
Jacksonville, Ala.	744
Jacksonville, Fla.	415, 708
Jefferson City, Mo.	768
Jeffersonville, Ind.	513
Jersey City, N. J.	209
Joliet, Ill.	307
Jonestown, Pa.	732
Junction City, Kan.	332, 753
Kansas City, Mo.; Kansas City, Kan	318
Kearny, N. J.	209
Keene, N. H.	107
Kelly Field, Tex.	734
Kenosha, Wis.	320
Key West, Fla.	417
Knox, Fort, Ky.	735
Knoxville, Tenn.	511
Lackawanna, N. Y.	203
La Jolla, Calif.	713
Lancaster, Pa.	222
Langley Field, Va.	736
La Porte, Ind.	319
Laurel, Md.	745
Lawrence, Mass	102
Lawton, Okla.	759
Lebanon, Mo	768
Lebanon, Pa.	732
Lee, Camp, Va.	737
Lee Hall, Va.	724
Leesville, La.	751
Leominster, Mass	720
Lewis, Fort, Wash.	738
Lewiston, Me	108
Lisbon Falls, Me.	108
Little Rock, Ark.	512, 763
Livingston, Camp, La	739
Long Beach, Calif.	603
Long Branch, N. J.	728, 747
Lorain, Ohio	309
Los Angeles, Calif.	603
Louisville, Ky.	513, 711, 735
Lowell, Mass.	102
Lowry Field, Colo.	740
Lynchburg, Tenn.	725
Lynchburg, Va.	422
MacDill Field, Fla.	741
Macon, Ga.	416, 766
Madison, Wis.	304
Manhattan, Kan.	753
March Field, Calif.	742
Marinette, Wis.	333
Martinsburg, W. Va.	413
Maxwell Field, Ala.	743
McClellan, Fort, Ala.	744
McKeesport, Pa.	212
Meade, Fort, Md.	745
Memphis, Tenn.	514
Menominee, Mich.	333
Meriden, Conn.	103
Merkel, Tex.	703
Miami, Fla	417
Michigan City, Ind.	319
Middletown, Ohio	308
Milwaukee, Wis.	320
Mineral Wells, Tex.	767
Minneapolis, Minn.	328
Mitchel Field, N. Y.	746
Mobile, Ala.	515, 523
Moline, Ill.	311
Monmouth, Fort, N. J.	747
Monroe, Fort, Va.	748
Monterey, Calif.	604, 749
Montgomery, Ala.	743
Montpelier, Ind.	321
Morro Bay, Calif.	755
Moundsville, W. Va.	427
Mount Holly, N. J.	721
Mount Vernon, N. Y.	209
Muskegon, Mich.	322
Nanticoke, Pa.	216
Nashua, N. H.	107
Nashville, Tenn.	516
New Albany, Ind.	513
New Bedford, Mass.	113, 723
New Britain, Conn.	106
New Brunswick, N. J.	209
New Castle, Pa.	326
New Haven, Conn.	103

Defense Advisory Commission. This also appears in the tables on pages 14-20. The Bureau's report covers all major orders (except fuels, provisions, and services) placed by the War and Navy Departments, and includes contracts for the construction of new plants for defense production. Contracts awarded between June 1, 1940, and February 1, 1941, have been tabulated according to the location of the construction project or of the plant which will produce the goods. The 132 selected industrial areas have been grouped in six broad geographic regions. Where the Bureau found it possible to assign contracts to these regions but not to specific industrial areas, such contracts were included in "Rest of the Region." In a few instances it was impossible to determine even in which of the six regions certain work will be performed; sometimes a contract with a large manufacturing organization could not be assigned to a specific plant. The total of such unallocated contracts, amounting to only 5 per cent of all contracts, appears in a summary table but is not included in the regional tabulations.

Contracts awarded during the last seven months of 1940 are further classified by "major kinds of orders," based on the type of activity contracted for, or the projected use of the goods ordered. Definitions of these groups are as follows:

"The category Airplanes, Parts, and Equipment includes airplanes, engines, spare parts, equipment, and such items as parachutes, flying helmets, and special clothing. Airplane armament is excluded.

"Ship Construction and Equipment includes not only hulls and machinery, but also raw materials and parts used in ship construction.

"Ordnance and Ammunition includes guns, artillery, carriages, mounts, ammunition, explosives, bombs, pyrotechnics, and chemical warfare equipment. Tanks and other combat vehicles are excluded.

"Construction covers all construction other than construction of ships. Contracts for new facilities for expediting production frequently include not only the construction of buildings or other facilities, but also the equipment for these facilities and the land on which they are built. As it has not been possible to separate these items in all cases, the value of construction is overesti-

End of 1940 contract awards for ship construction were at least twice as much as for any other category of defense needs.

Defense Program Schedule and Contract Awards as of February 1, 1941*

Purpose	Program *Thousands of Dollars*	Awards *Thousands of Dollars*
Naval vessels	6,070,000	4,370,000
Airplanes	3,210,000	2,240,000
Ammunition and explosives	1,780,000	1,000,000
Industrial facilities	1,630,000	1,130,000
Artillery and small arms	1,440,000	580,000
Posts, depots, fortifications	1,270,000	860,000
Clothing, equipage, subsistence	660,000	440,000
Tanks and combat vehicles	360,000	300,000
Transportation equipment	290,000	210,000
Miscellaneous, Army and Navy	430,000	300,000
Stock pile	480,000	290,000
Emergency merchant fleet	350,000	..
Defense workers' housing	320,000	120,000
Total	18,290,000	11,840,000

* From an Associated Press dispatch in *The New York Times*, February 27, 1941.

Defense Contracts by Regions—Major Kinds of Orders

(Contract awards from June 1 to December 31, 1940 by major purposes and selected industrial areas —also total awards to January 31, 1941)

Region	Total	Contract Awards June 1 to December 31, 1940: Airplanes, Engines, Parts, and Equipment	Ship Construction and Equipment	Ordnance and Ammunition	Construction Other than Ships	All Other Equipment, Supplies, and Material	Contracts Awarded to January 31, 1941
	Thousands of Dollars						*Thousands of Dollars*
New England	1,835,303	202,116	1,160,380	263,450	120,319	89,038	1,902,212
Middle Atlantic	3,079,262	552,502	1,413,299	605,416	118,079	389,966	3,344,509
North Central	1,605,005	393,900	123,401	552,338	172,773	362,593	1,959,417
South Atlantic	1,549,993	229,761	681,648	252,010	309,255	77,319	1,593,783
South Central	509,000	39,776	169,870	81,690	194,844	22,820	673,353
Pacific Mountain	1,863,455	727,956	904,716	18,166	197,104	15,513	2,314,664
Continental U. S.	10,442,018	2,146,011	4,453,314	1,773,070	1,112,374	957,249	11,787,938
Off Continent	139,176	..	4,096	60	134,685	335	141,279
Unassignable	572,276	15,695	31,946	159,677	104,403	260,555	646,652
Grand Total	11,153,470	2,161,706	4,489,356	1,932,807	1,351,462	1,218,139	12,575,869

City, Town, or Camp	Code Number
New London, Conn.	109
New Orleans, La.	517
New Rochelle, N. Y.	209
New York, N. Y.	209
Newark, N. J.	209
Newburgh, Mo.	768
Newburgh, N. Y.	213
Newport, R. I.	110
Newport News, Va.	418, 724, 736, 748
Niagara Falls, N. Y.	203
Norfolk, Va	761
Norristown, Pa.	211
North Chicago, Ill.	758
North Little Rock, Ark.	763
Northampton, Mass.	114
Norwalk, Conn	103
Norwich, Conn.	109
Norwood, Ohio	308
Oakland, Calif.	608
Ogden, Utah	606
Omaha, Neb.	329
Oneida, N. Y.	210
Orange, Tex.	518
Oranges, The, N. J.	209
Ord, Fort, Calif.	604, 749
Oshkosh, Wis.	323
Pacific Beach, Calif.	713
Palacios, Tex.	731
Parris Island, S. C.	419
Pasadena, Calif.	603
Pascagoula, Miss.	523
Paso Robles, Calif.	762
Passaic, N. J.	209
Paterson, N. J.	209
Pawtucket, R. I.	113
Pensacola, Fla.	420
Perth Amboy, N. J.	209
Petersburg, Va.	421, 737
Philadelphia, Pa.	211
Phillipsburg, Pa.	202
Phoebus, Va.	748
Pine, Camp, N. Y.	750
Pittsburgh, Pa.	212
Pittsfield, Mass.	111
Pittston, Pa.	216
Plainfield, N. J.	209
Polk, Camp, La.	751
Pontiac, Mich.	313
Port Arthur, Tex.	518
Portland, Me.	101
Portland, Ore.	605
Portsmouth, N. H.	112
Portsmouth, Va.	418
Poughkeepsie, N. Y.	213
Providence, R. I.	113
Pueblo, Colo.	601
Quincy, Mass.	102
Racine, Wis.	320
Randolph Field, Tex.	752
Rantoul, Ill.	714
Reading, Pa.	214
Red Bank, N. J.	728, 747
Rensselaer, N. Y.	201
Richmond, Va.	421, 706, 737
Riley, Fort, Kan.	332, 753
Riverside, Calif.	727, 742
Roanoke, Va.	422
Roberts, Camp, Calif.	762
Robinson, Camp, Ark.	763
Rochester, N. H.	112
Rochester, N. Y.	215
Rock Island, Ill.	311
Rockford, Ill	315, 726
Rolla, Mo	768
Rome, N. Y.	210
Rossville, Ga.	407
Saginaw, Mich	303
Salem, Mass.	102
St. Joseph, Mich.	305
St. Louis, Mo.	330, 756
St. Paul, Minn.	328
Salinas, Calif.	749
Salt Lake City, Utah	606
Sam Houston, Fort, Tex.	754
San Angelo, Tex.	519
San Antonio, Tex.	520, 734, 752, 754
San Bernardino, Calif.	727, 742
San Diego, Calif.	607, 713
San Francisco, Calif.	608
San Luis Obispo, Calif.	755, 762
San Miguel, Calif.	762
San Pedro, Calif.	603
Santa Barbara, Calif.	609
Savannah, Ga.	419, 423, 760
Schenectady, N. Y.	201
Scott Field, Ill.	756
Scranton, Pa.	216
Seattle, Wash.	610, 738
Sharon, Pa.	326
Shelby, Camp, Miss.	757
Shelbyville, Tenn.	725
Sheridan, Fort, Ill.	758
Shreveport, La.	704
Sill, Fort, Okla.	759
South Bend, Ind.	314
Southern Pines, N. C.	712
Spartanburg, S. C.	717
Springfield, Mass.	114
Stamford, Conn.	103
Starke, Fla	708
Steubenville, Ohio	427
Stewart, Camp, Ga.	760
Story, Fort, Va.	761
Syracuse, N. Y.	210
Tacoma, Wash.	610, 738
Tampa, Fla.	424, 741
Taunton, Mass.	113
Titusville, Pa	208
Toledo, Ohio	324
Tombstone, Ariz.	730
Tonawanda, N. Y.	203
Trenton, N. J.	217, 721
Troy, N. Y.	201
Tullahoma, Tenn	521, 725
Tulsa, Okla.	522
Upton, Camp, N. Y.	764
Urbana, Ill.	714
Utica, N. Y.	210
Vancouver, Wash.	605
Vineland, N. J.	218
Virginia Beach, Va.	761
Waco, Tex	502
Wallingford, Conn.	103
Waltham, Mass.	102
Warren, Ohio.	326
Warren, Fort Francis E., Wyo.	765
Washington, D. C.	212, 414, 425, 701, 706, 745
Waterbury, Conn.	103
Watertown, N. Y.	219, 750
Watervliet, N. Y.	201
Waukegan, Ill.	307, 758
Wausau, Wis	325
Waynesboro, Pa.	220
Westbury, N. Y.	746
West Hartford, Conn.	106
Wheeler, Camp, Ga.	766
Wheeling, W. Va.	427
White Plains, N. Y.	209
Wichita, Kan	331
Wilkes-Barre, Pa.	216
Wilkinsburg, Pa.	212
Williamsport, Pa	221
Wilmington, Del.	426
Wilmington, N. C.	719
Wilton, N. H.	107
Winooski, Vt	104
Winston-Salem, N. C.	412
Wolters, Camp, Tex.	767
Wood, Fort Leonard, Mo.	768
Woonsocket, R. I.	113
Worcester, Mass.	115
Wrightstown, N. J.	721
Wyandotte, Mich	313
Yaphank, N. Y.	764
Yonkers, N. Y	209
York, Pa.	222
Yorktown, Va.	724
Youngstown, Ohio.	326

INDUSTRIAL AREA INDEX

(Towns are listed here either because they have defense orders or because their workers are within commuting distance of defense industries. Selection of these towns was based on such factors as: amount of potential employment, population, distance from defense plants, commuting facilities. Towns of less than 25,000 people are listed only in special instances. The list is by no means exhaustive.)

102 BOSTON, MASS.
Beverly, Cambridge, Haverhill, Lawrence, Lowell, Quincy, Salem, Waltham

103 BRIDGEPORT–NEW HAVEN–WATERBURY, CONN.
Ansonia, Danbury, Derby, Meriden, Norwalk, Stamford, Wallingford

106 HARTFORD, CONN.
Bristol, New Britain, West Hartford

113 PROVIDENCE, R. I.
Central Falls, Pawtucket, Taunton, Mass., Woonsocket

114 SPRINGFIELD–HOLYOKE, MASS.
Chicopee, Northampton

201 ALBANY–SCHENECTADY–TROY, N. Y.
Cohoes, Rensselaer, Watervliet

202 ALLENTOWN – BETHLEHEM, PA.
Easton, Phillipsburg, N. J.

203 BUFFALO, N. Y.
Lackawanna, Niagara Falls, Tonawanda

207 ENDICOTT, N. Y.
Binghamton

209 NEW YORK, N. Y.–NEWARK–JERSEY CITY, N. J.
(Towns are in N. J. unless otherwise indicated)
Bayonne, Bloomfield, Brooklyn, N. Y., Elizabeth, Hoboken, Kearny, Mt. Vernon, N. Y., New Brunswick, New Rochelle, N. Y., The Oranges, Passaic, Paterson, Perth Amboy, Plainfield, White Plains, N. Y., Yonkers, N. Y.

210 SYRACUSE – ONEIDA – UTICA, N. Y.
Herkimer, Rome

211 PHILA., PA.–CAMDEN, N. J.
Chester, Pa., Norristown, Pa.

212 PITTSBURGH, PA.
Aliquippa, Carnegie, McKeesport, Washington, Wilkinsburg

213 POUGHKEEPSIE, N. Y.
Beacon, Newburgh

216 SCRANTON, PA.
Hazleton, Nanticoke, Pittston, Wilkes-Barre

301 AKRON, OHIO
Barberton, Cuyahoga Falls

302 BARKSDALE, WIS.
Ashland

307 CHICAGO, ILL.
Aurora, Elgin, Evanston, Gary, Ind., Hammond, Ind., Joliet, Waukegan

308 CINCINNATI, OHIO
Covington, Ky., Hamilton, Middletown, Norwood

309 CLEVELAND, OHIO
Elyria, Lorain

313 DETROIT, MICH.
Dearborn, Pontiac, Wyandotte

320 MILWAUKEE–RACINE, WIS.
Kenosha

323 OSHKOSH, WIS.
Fond du Lac

326 YOUNGSTOWN, OHIO
New Castle, Pa., Warren, Sharon, Pa.

329 OMAHA, NEB.
Council Bluffs, Iowa

330 ST. LOUIS, MO.
Alton, Ill., Belleville, Ill., E. St. Louis, Ill., Granite City, Ill.

331 WICHITA, KAN.
Hutchinson

333 MARINETTE, WIS.
Menominee, Mich.

412 GREENSBORO, N. C.
High Point, Winston-Salem

414 INDIAN HEAD, MD.
Washington
(Naval proving grounds)

419 PARRIS ISLAND, S. C.
Beaufort, Savannah, Ga.

421 RICHMOND, VA.
Petersburg

427 WHEELING, W. VA.
E. Liverpool, Ohio, Moundsville, Steubenville, Ohio

513 LOUISVILLE, KY.
New Albany, Ind.

518 ORANGE, TEX.
Beaumont, Port Arthur

523 PASCAGOULA, MISS.
Biloxi, Gulfport, Mobile, Ala.

603 LOS ANGELES, CALIF.
Alhambra, Glendale, Long Beach, Pasadena, San Pedro

608 SAN FRANCISCO, CALIF.
Berkeley, Oakland

mated in certain of the contract areas.

"All Other Materials, Supplies, and Equipment consists mainly of clothing, equipage, automotive equipment, engineers' equipment, communications equipment, and machinery not elsewhere classified.

"Contracts for Fuels, Provisions, and Services are excluded from this tabulation.

"Project Orders (force-account directives) placed at Government establishments are included here at the full amount of the contract in order to portray more satisfactorily the amount of contracts which have been awarded in any individual area."[2]

With this basic material and due consideration to the necessary qualifications described earlier, the calculation of Estimated Resulting Local Purchasing Power is simple arithmetic. The portion of the total value of the finished product which remains at the point of final manufacture was estimated as follows: Aircraft, 60 per cent; Ship Construction, 60 per cent; Ordnance and Ammunition, 56 per cent; Other Construction, 58 per cent; All Other Equipment, Supplies, and Material, 42 per cent.[3] By the use of these ratios, the face amounts of the prime defense contracts awarded to each industrial area were reduced to amounts corresponding to "value added by manufacture," and these amounts were entered in the tables under the heading "Estimated Resulting Local Purchasing Power."

Silk Shirts

Of course not all consumer buying power goes for purchases at retail; perhaps one-quarter is spent on shelter and an additional small percentage is withheld as savings. Moreover, not all types of retailer in a specific area can expect to benefit equally from an increase in consumer buying power in that area. Where wages are paid to temporary, imported workmen (as in the construction of an army cantonment), sales of day-to-day consumption goods such as food, beverages, and cigarettes will probably be stimulated more than sales of household and maintenance items such as electrical appliances and furniture. Men's clothing can be expected to show a faster sales increase than women's. The silk-shirt-and-champagne scheme of life for workmen, reminiscent of World War I, is said to have reappeared in some cities. Where increased payrolls represent higher weekly wages paid to the same (or somewhat larger) number of workmen as before, a broad range of house furnishings and appliances should respond to the increase more sharply than day-to-day consumption goods.

Aside from unavoidable minor inaccuracies in the contract data published by the National Defense Advisory Commission (to which the Commission itself calls attention), there are a few other things to think about in using these tables.

Prime Contracts

First, the tabulations cover only "prime" contracts, contracts to which a Government agency is one of the parties. Some part of each prime contract helps to produce "defense prosperity" in other communities furnishing materials or parts. The locations and amounts of such secondary orders are not now known, though more information is being gathered.

Net Buying Power

A second factor calling for caution in the use of the estimates is the fact that defense-originated buying power is not necessarily added buying power. Where a plant which formerly produced materials used by private industry or individual consumers transfers its facilities to defense production, its payrolls to defense labor will be offset to some unknown extent by a drop in private production wages. The amount of defense-derived buying power which displaces buying power previously resulting from production of civilian goods, and the amount which is a net addition to national or regional purchasing power, cannot be determined from the data at hand.

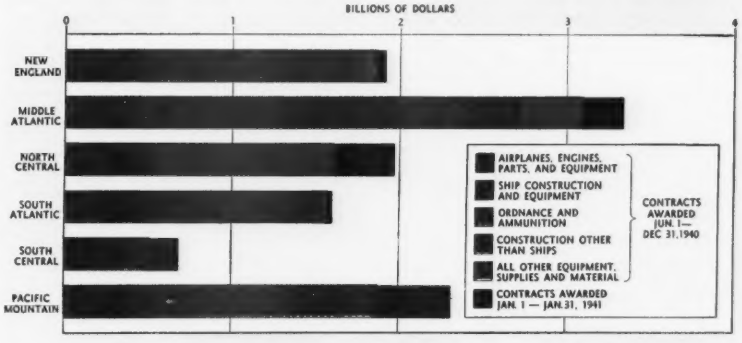
Perhaps the hardest problem to deal with is the question of timing. How long will it take before wage earners have received all the purchasing power expected to flow from all the defense orders awarded to a particular area? Without knowledge of the terms of

(Continued on page 50—tables of Army posts, and of industrial areas affected by defense contracts follow on the next nine pages.)

Far ahead in defense contracts is the Middle Atlantic region. If ship construction—holding by necessity to the coastal States—be counted apart, the regional shares are more nearly equal than they appear in total.

DEFENSE CONTRACTS BY REGIONS—MAJOR KINDS OF ORDERS

(Contract awards from June 1 to December 31, 1940 by major purposes—also awards to January 31, 1941)



[2] "Defense Contracts Awarded," Bureau of Research and Statistics, National Defense Advisory Commission; January 13, 1941; No. 22-1, page 8.

[3] Computed from data in the 1937 *Census of Manufactures* and the 1935 *Census of Business*.

Army Posts and Nearby Trading Centers

Size and Rate of Growth of Training Camps and Flying Fields—Also Size and Nearness of Adjacent Towns

Area No.	Army Post and Nearby Towns			Men in Camp[1] Trend before March 1	Men in Camp[1] March 1 (Estimate)	Men in Camp[1] Trend After March 1
701	Aberdeen Proving Ground, Md.			++	8,000	−
	Aberdeen	2 mi.	pop. 1,525			
	Havre de Grace	5 mi.	4,967			
	Baltimore	10 mi.	859,100			
	Bel Air	20 mi.	1,885			
	Washington, D. C.	20 mi.	663,091			
702	Albuquerque Air Corps Station, N. Mex.				[2]	
	Albuquerque	0 mi.	35,449			
703	Barkley, Camp, Tex.			=	18,000	=
	Abilene	9 mi.	26,612			
	Merkel	12 mi.	2,005			
704	Barksdale Field, La.			+	6,000	=
	Bossier	1 mi.	5,786			
	Shreveport, La.	2 mi.	98,167			
705	Beauregard, Camp, La.				[3]	
	Alexandria	0 mi.	27,066			
706	Belvoir, Fort, Va.			++	13,000	+
	Alexandria	14 mi.	33,523			
	Washington, D. C.	18 mi.	663,091			
	Richmond	30 mi.	193,042			
707	Benning, Fort, Ga.			+	44,000[4]	+
	Columbus, Ga.	9 mi.	53,280			
708	Blanding, Camp, Fla.			=	15,000	++
	Starke	8 mi.	1,480			
	Gainesville	32 mi.	13,757			
	Jacksonville	45 mi.	173,065			
709	Bliss, Fort, Tex.			++	22,000	+
	El Paso	3 mi.	96,810			
710	Bowie, Camp, Tex.			+	22,000	+
	Brownwood	4 mi.	13,398			
	Coleman	20 mi.	6,054			
711	Bowman Field, Ky.				[5]	
	Louisville	0 mi.	319,077			
712	Bragg, Fort, N. C.			+	30,000[6]	++
	Fayetteville	10 mi.	17,428			
	Southern Pines	10 mi.	3,225			
713	Callan, Camp, Calif.			+	1,000	++
	La Jolla	3 mi.	3,791[14]			
	Pacific Beach	5 mi.	1,626[14]			
	San Diego	17 mi.	203,341			
714	Chanute Field, Ill.			+	8,000	++
	Rantoul	0 mi.	2,367			
	Champaign	15 mi.	23,302			
	Urbana	15 mi.	14,064			
715	Claiborne, Camp, La.			++	28,000[3]	+
	Alexandria	20 mi.	27,066			
716	Crockett, Fort, Tex.			+	3,000	=
	Galveston	0 mi.	80,542			
717	Croft, Camp, S. C.			+	2,000[7]	++
	Spartanburg	3 mi.	32,249			
718	Custer, Fort, Mich.			+	15,000	+
	Battle Creek	7 mi.	43,453			
719	Davis, Camp, N. C.				[8]	
	Wilmington	26 mi.	33,407			
720	Devens, Fort, Mass.			+	25,000	+
	Ayer	1 mi.	3,572			
	Leominster	10 mi.	22,226			
	Fitchburg	12 mi.	41,824			
721	Dix, Fort, N. J.			+	25,000	++
	Wrightstown	2 mi.	241			
	Mt. Holly	10 mi.	6,892			
	Trenton	20 mi.	124,697			
722	Edgewood Arsenal, Md.			++	5,000	=
	Aberdeen	7 mi.	1,525			
	Havre de Grace	15 mi.	4,967			
	Baltimore	22 mi.	859,100			
723	Edwards, Camp, Mass.			+	26,000	+
	Falmouth	8 mi.	6,876			
	New Bedford	44 mi.	110,341			
724	Eustis, Fort, Va.			++	13,000	+
	Lee Hall	0 mi.	30[14]			
	Yorktown	7 mi.	521			
	Newport News	18 mi.	37,067			

SIZE AND RATE OF GROWTH OF TRAINING CAMPS AND FLYING FIELDS—ALSO SIZE AND NEARNESS OF ADJACENT TOWNS—*Continued*

AREA No.	ARMY POST AND NEARBY TOWNS		MEN IN CAMP: Trend before March 1	MEN IN CAMP: March 1 (Estimate)	MEN IN CAMP: Trend After March 1
725	Forrest, Camp, Tenn.		=	1,000[9]	++
	Tullahoma	2 mi. 4,549			
	Lynchburg	12 mi. 390			
	Shelbyville	20 mi. 6,537			
	Fayetteville	24 mi. 4,684			
726	Grant, Camp, Ill.		+	4,000[10]	++
	Rockford	6 mi. 84,637			
727	Haan, Camp, Calif.		+	6,000	+
	Riverside	8 mi. 34,696			
	San Bernardino	16 mi. 43,646			
728	Hancock, Fort, N. J.		++	7,000	+
	Highlands	3 mi. 2,076			
	Red Bank	9 mi. 10,974			
	Long Branch	15 mi. 17,408			
729	Holabird Quartermaster Depot, Md.		=	2,000	=
	Baltimore	— mi. 859,100			
730	Huachuca, Fort, Ariz.		++	6,000	=
	Fry	0 mi. 50[14]			
	Tombstone	22 mi. 822			
	Bisbee	39 mi. 5,853			
731	Hulen, Camp, Tex.		+	11,000	=
	Palacios	1 mi. 2,288			
	Bay City	20 mi. 6,594			
732	Indiantown Gap Military Reserv., Pa.		++	15,000	+
	Indiantown	0 mi. ..			
	Jonestown	3 mi. 721			
	Lebanon	10 mi. 27,206			
733	Jackson, Fort, S. C.		+	33,000	+
	Columbia	6 mi. 62,396			
734	Kelly Field, Tex.		+	4,000	−
	San Antonio	3 mi. 253,854			
735	Knox, Fort, Ky.		+	25,000	+
	Elizabethtown	20 mi. 3,667			
	Louisville	31 mi. 319,077			
736	Langley Field, Va.		+	8,000	=
	Hampton	1 mi. 5,898			
	Newport News	7 mi. 37,067			
737	Lee, Camp, Va.		++	4,000	++
	Petersburg	2 mi. 30,631			
	Hopewell	5 mi. 8,679			
	Richmond	18 mi. 193,042			
738	Lewis, Fort, Wash.		+	35,000	+
	Tacoma	15 mi. 109,408			
	Seattle	46 mi. 368,302			
739	Livingston, Camp, La.		+	31,000[3]	+
	Alexandria	15 mi. 27,066			
740	Lowry Field, Colo.		+	6,000	+
	Denver	0 mi. 322,412			
	Aurora	2 mi. 3,437			
	Englewood	3 mi. 9,680			
741	MacDill Field, Fla.		+	6,000	=
	Tampa	8 mi. 108,391			
742	March Field, Calif.		=	6,000	=
	Riverside	7 mi. 34,696			
	San Bernardino	16 mi. 43,646			
743	Maxwell Field, Ala.		+	6,000	++
	Montgomery	0 mi. 78,084			
744	McClellan, Fort, Ala.		+	21,000	=
	Jacksonville	5 mi. 2,995			
	Anniston	6 mi. 25,523			
745	Meade, Fort George G., Md.		++	19,000	+
	Laurel	2 mi. 2,823			
	Baltimore	18 mi. 859,100			
	Washington, D. C.	28 mi. 663,091			
746	Mitchel Field, N. Y.		+	5,000	+
	Garden City	2 mi. 11,223			
	Westbury	2 mi. 4,524			
	Hempstead	4 mi. 20,856			
747	Monmouth, Fort, N. J.		++	8,000	+
	Red Bank	3 mi. 10,974			
	Long Branch	4 mi. 17,408			
	Asbury Park	9 mi. 14,617			
748	Monroe, Fort, Va.		++	7,000	=
	Phoebus	0 mi. 3,503			
	Hampton	1 mi. 5,898			
	Newport News	8 mi. 37,067			
749	Ord, Fort, Calif.		++	23,000	+
	Monterey	7 mi. 10,084			
	Salinas	10 mi. 11,586			
750	Pine Camp, N. Y.			[11]	
	Carthage	8 mi. 4,207			
	Watertown	10 mi. 33,385			
751	Polk, Camp, La.		++	14,000[12]	+
	Leesville	0 mi. 2,829			
752	Randolph Field, Tex.		+	5,000	+
	San Antonio	10 mi. 253,854			
753	Riley, Fort, Kan.		++	18,000	+
	Junction City	4 mi. 8,507			
	Manhattan	12 mi. 11,659			
754	Sam Houston, Fort, Tex.		+	29,000	+
	San Antonio	0 mi. 253,854			
755	San Luis Obispo, Camp, Calif.		+	2,000	++
	Morro Bay	5 mi. 3,658			
	San Luis Obispo	6 mi. 9,692			
756	Scott Field, Ill.		+	6,000	++
	Belleville	7 mi. 28,405			
	Collinsville	12 mi. 9,767			
	St. Louis, Mo.	24 mi. 816,048			
757	Shelby, Camp, Miss.		++	52,000	+
	Hattiesburg	10 mi. 21,026			
758	Sheridan, Fort, Ill.		=	4,000	++
	Highwood	0 mi. 3,707			
	Highland Park	2 mi. 14,476			
	North Chicago	8 mi. 8,465			
	Waukegan	10 mi. 34,241			
	Chicago	25 mi. 3,396,808			
759	Sill, Fort, Okla.		+	26,000	−
	Lawton	3 mi. 18,055			
	Anadarko	38 mi. 5,579			
	Chickasha	45 mi. 14,111			
760	Stewart, Camp, Ga.		++	13,000	+
	Hinesville	2 mi. 630			
	Savannah	47 mi. 95,996			
761	Story, Fort, Va.		+	2,000	++
	Virginia Beach	2 mi. 2,600			
	Norfolk	18 mi. 144,332			
762	Roberts, Camp, Calif.		+	2,000	++
	San Miguel	3 mi. 801			
	Paso Robles	12 mi. 3,045			
	San Luis Obispo	18 mi. 9,692			
763	Robinson, Camp, Ark.		++	26,000	+
	North Little Rock	3 mi. 21,137			
	Little Rock	5 mi. 88,039			
764	Upton, Camp, N. Y.		+	3,000	−
	Yaphank	0 mi. 3,160[14]			
	Riverhead	12 mi. 2,500[14]			
	Patchogue	14 mi. 7,181			
765	Warren, Fort Francis E., Wyo.		++	11,000	−
	Cheyenne	3 mi. 22,474			
766	Wheeler, Camp, Ga.		+	4,000	+
	Macon	7 mi. 57,855			
767	Wolters, Camp, Tex.		=	9,000	+
	Mineral Wells	2 mi. 6,303			
768	Wood, Fort Leonard, Mo.		+	1,000[13]	++
	Newburg	20 mi. 1,056			
	Rolla	30 mi. 5,141			
	Lebanon	35 mi. 5,025			
	Jefferson City	35 mi. 24,268			

[1] The symbols in the first column indicate the degree of increase or decrease during the three months period ending March 1; the symbols at the third column indicate the degree of increase or decrease anticipated in the three months period following March 1.

\+ indicates increase less than 50%
++ indicates increase more than 50%
− indicates decrease less than 50%
= indicates no significant change

[2] Air Corps Station has no trainees yet, but is expected to have over 2,000 by June 1.

[3] Original Camp Beauregard (705) has been sub-divided into Camps Claiborne (715), and Livingston (739), and Beauregard (705). Together with nearby Camp Polk (751), this group of camps will accommodate 105,000 men.

[4] Government payrolls and expenditures are currently at a monthly rate of $1,000,000.

[5] Bowman Field has less than 1,000 as at March 1, but is expected to have 3,000 by June 1.

[6] There are at present 30,000 men engaged in construction work.

[7] 10,000 men are expected to be in camp by March 25.

[8] Completion of camp expected in March. Plans call for 20,000 men in camp within a month of its completion.

[9] Camp Forrest is expected to have 19,000 by March 20 and about 30,000 by early Summer.

[10] Camp is expected to handle 8,000 to 10,000 transients monthly.

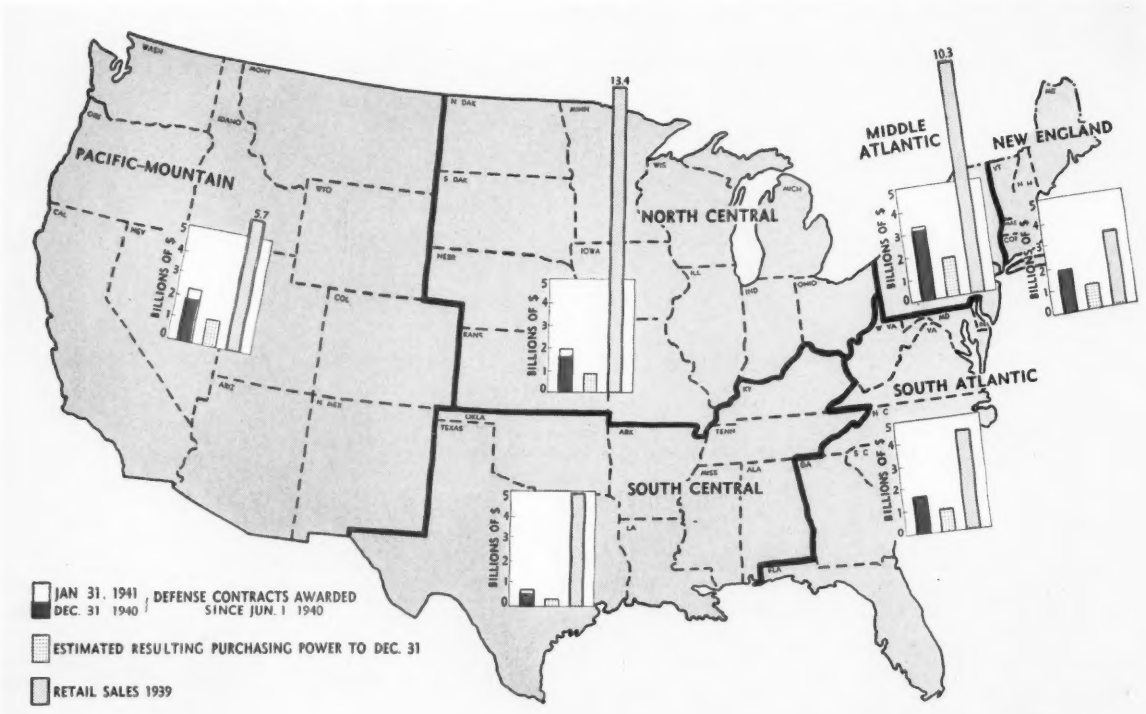
[11] There are at present 7,000 men engaged in construction work, most of which will be completed by March 15. Additional area of 75,000 acres is being added to the original 16,000 acres. Maneuvers for third armored division will require 100 miles of roads. By July 15,000 troops are expected to be in camp.

[12] Camp Polk, although still under construction, has over 14,000 men.

[13] There are at present 21,000 men engaged in construction work.

[14] Population in 1930; 1940 population not available.

DEFENSE CONTRACTS IN SIX REGIONS



The center bars indicate the initial purchasing power likely to result from contracts awarded to December 31, 1940 (solid green, left-hand bars). This leaves out the secondary purchasing power generated by the purchases of workers on defense contracts—thus the grocer buys a new car. It also leaves out the purchasing power from contracts awarded from January 1 to 31, 1941 (white, left-hand bars). Much of the purchasing power liberated by defense contracts will be spread over two or three years (in some instances, five). The retail sales (right-hand bars) are for a single year, 1939.

DEFENSE CONTRACTS BY INDUSTRIAL AREAS

I. NEW ENGLAND—A. INFLUENCE ON CONSUMER PURCHASING POWER

(Probable purchasing power resulting from contracts awarded from June 1 to December 31, 1940)

	INDUSTRIAL AREA[1]	Population 1940	Contract Awards: Total June 1 to December 31, 1940	Contract Awards: Estimated Resulting Local Purchasing Power[2]	Principal Purpose of Contracts[3]	Retail Sales 1939
		Thousands	*Thousands of Dollars*			*Thousands of Dollars*
101	Bath, Portland, Me.	84	169,824	101,800	S	50,827
102	Boston, Mass.	2,656	803,989	476,800	S	1,106,217
103	Bridgeport, New Haven, Waterbury, Conn.	903	245,499	139,500	O	388,652
104	Burlington, Winooski, Vt.	34	1,441	800	C	18,093
105	Falmouth, Mass.	7	9,625	5,200	C	.. (4)
106	Hartford, Conn.	450	230,513	142,900	A	199,928
107	Keene, Wilton, Nashua, N. H.	47	3,238	1,400	E	22,643 (5)
108	Lisbon Falls, Lewiston, Me.	39	2,442	1,000	E	19,731 (6)
109	New London, Groton, Norwich, Conn.	59	198,780	118,800	S	35,259
110	Newport, R. I.	46	26,504	14,900	O	13,259
111	Pittsfield, Mass.	50	3,083	1,300	E	24,296
112	Portsmouth, Rochester, N. H.	27	61,163	36,100	S	15,795
113	Providence, R. I.; Fall River, New Bedford, Mass.	914	17,035	8,000	E	340,411
114	Springfield, Holyoke, Mass.	332	36,173	20,100	O	136,671
115	Worcester, Mass.	504	14,230	6,400	E	185,995
	Rest of Region	..	11,764	5,300	E	..
	TOTAL—New England Region	8,437	1,835,303	1,080,300	S	3,315,562

[1] For cities not listed, consult index list (page 8) for Industrial Area Number. [2] Based on probable value added by manufacture (see article). [3] Comparison of Estimated Resulting Local Purchasing Power and Retail Sales should be made only with the understanding that certain types of defense orders can be filled more quickly than others (see article). Key to the symbols in this column: A = Airplanes, Engines, Parts, and Equipment; C = Construction Other than Ships; E = Equipment, Supplies, and Materials; O = Ordnance and Ammunition; S = Ship Construction and Equipment. [4] Not available. [5] Excludes Wilton. [6] Excludes Lisbon Falls.

Although city names are employed here to define industrial areas, many areas include still other cities affected by defense contracts. To find data for specific cities or towns it will frequently be simplest to consult first the city-finder index on page 8.

I. NEW ENGLAND—B. MAJOR KINDS OF ORDERS

(Contract awards from June 1 to December 31, 1940 by selected areas—also awards to January 31)

	INDUSTRIAL AREA[1]	Contracts Awarded June 1 to December 31, 1940						Contracts Awarded up to January 31, 1941
		Airplanes, Engines, Parts, and Equipment	Ship Construction and Equipment	Ordnance and Ammunition	Construction Other than Ships	All Other Equipment, Supplies, and Material	Total	
		Thousands of Dollars						*Thousands of Dollars*
101	Bath, Portland, Me.	..	166,627	92	2,776	329	169,824	170,506
102	Boston, Mass.	1,320	743,033	6,566	26,113	26,957	803,989	838,082
103	Bridgeport, New Haven, Waterbury, Conn.	29,672	4,289	177,230	26,807	7,501	245,499	257,938
104	Burlington, Winooski, Vt.	..	..	..	937	504	1,441	1,441
105	Falmouth, Mass.	..	..	353	7,252	2,020	9,625	9,712
106	Hartford, Conn.	170,575	637	23,157	32,252	3,892	230,513	234,582
107	Keene, Wilton, Nashua, N. H.	..	..	..	..	3,238	3,238	4,262
108	Lisbon Falls, Lewiston, Me.	..	..	..	..	2,442	2,442	2,444
109	New London, Groton, Norwich, Conn.	50	189,766	847	6,716	1,401	198,780	198,928
110	Newport, R. I.	2	290	21,300	4,750	162	26,504	28,220
111	Pittsfield, Mass.	..	..	174	..	2,909	3,083	3,085
112	Portsmouth, Rochester, N. H.	..	53,049	12	5,104	2,998	61,163	61,238
113	Providence, R. I.; Fall River, New Bedford, Mass.	32	1,936	1,981	1,239	11,847	17,035	18,508
114	Springfield, Holyoke, Mass.	..	129	28,928	4,927	2,189	36,173	37,751
115	Worcester, Mass.	266	138	2,516	39	11,271	14,230	21,619
	Rest of Region	199	486	294	1,407	9,378	11,764	13,896
	TOTAL—New England Region	202,116	1,160,380	263,450	120,319	89,038	1,835,303	1,902,212

[1] For cities not listed, consult index list (page 8) for Industrial Area Number.

II. MIDDLE ATLANTIC—A. INFLUENCE ON CONSUMER PURCHASING POWER

(Probable purchasing power resulting from contracts awarded from June 1 to December 31, 1940)

	INDUSTRIAL AREA[1]	Population 1940	Contract Awards		Principal Purpose of Contracts[3]	Retail Sales 1939
			Total June 1 to December 31, 1940	Estimated Resulting Local Purchasing Power[2]		
		Thousands	*Thousands of Dollars*			*Thousands of Dollars*
201	Albany, Schenectady, Troy, N. Y.	466	42,878	21,000	E	210,476
202	Allentown, Bethlehem, Pa.	346	21,221	11,800	O	119,723
203	Buffalo, N. Y.	958	156,056	98,600	A	365,316
204	Butler, Pa.	24	6,346	3,100	E	16,420
205	Corning, Elmira, N. Y.	61	1,720	800	E	34,507
206	Dover, N. J.	10	150,092	83,500	O	7,287
207	Endicott, N. Y.	18	7,671	4,400	A	9,783
208	Erie, Irvine, Titusville, Pa.	125	11,632	6,400	O	52,599
209	New York, N. Y.; Newark, Jersey City, N. J.	10,782	1,299,244	766,600	S	4,514,880
210	Syracuse, Oneida, Utica, N. Y.	317	63,844	35,300	O	157,399
211	Philadelphia, Pa.; Camden, N. J.	3,200	1,060,411	608,800	S	1,131,293
212	Pittsburgh, Pa.	2,083	54,356	29,100	O	697,016
213	Poughkeepsie, N. Y.	40	1,198	500	E	28,283
214	Reading, Pa.	242	6,706	3,300	O	82,035
215	Rochester, N. Y.	438	53,437	28,600	O	169,967
216	Scranton, Pa.	140	65,341	28,000	E	56,317
217	Trenton, N. J.	125	13,293	7,600	C	65,377
218	Vineland, N. J.	8	1,452	600	E	9,740
219	Watertown, N. Y.	33	6,923	4,000	C	18,887
220	Waynesboro, Pa.	10	1,327	700	O	4,129
221	Williamsport, Pa.	44	17,600	10,800	A	20,921
222	York, Lancaster, Pa.	118	24,651	13,700	O	65,567
	Rest of Region	..	11,863	5,600	E	..
	TOTAL—Middle Atlantic Region	27,540	3,079,262	1,772,800	S	10,291,937

[1] For cities not listed, consult index list (page 8) for Industrial Area Number. [2] Based on probable value added by manufacture (see article). [3] Comparison of Estimated Resulting Local Purchasing Power and Retail Sales should be made only with the understanding that certain types of defense orders can be filled more quickly than others (see article). Key to the symbols in this column: A = Airplanes, Engines, Parts, and Equipment; C = Construction Other than Ships; E = Equipment, Supplies, and Materials; O = Ordnance and Ammunition; S = Ship Construction and Equipment.

II. MIDDLE ATLANTIC—B. MAJOR KINDS OF ORDERS

(Contract awards from June 1 to December 31, 1940 by selected areas—also awards to January 31)

	INDUSTRIAL AREA[1]	Contracts Awarded June 1 to December 31, 1940						Contracts Awarded up to January 31, 1941
		Airplanes, Engines, Parts, and Equipment	Ship Construction and Equipment	Ordnance and Ammunition	Construction Other than Ships	All Other Equipment, Supplies, and Material	Total	
		Thousands of Dollars						*Thousands of Dollars*
201	Albany, Schenectady, Troy, N. Y.	152	2,090	17,840	317	22,479	42,878	47,249
202	Allentown, Bethlehem, Pa.	. . .	4,650	14,465	242	1,864	21,221	22,201
203	Buffalo, N. Y.	143,807	235	8,391	1,030	2,593	156,056	160,972
204	Butler, Pa.	. .	235	2,978	. .	3,133	6,346	6,374
205	Corning, Elmira, N. Y.	246	36	396	. .	1,042	1,720	7,887
206	Dover, N. J.	19	17	144,840	921	4,295	150,092	150,267
207	Endicott, N. Y.	5,062	. .	52	323	2,234	7,671	11,887
208	Erie, Irvine, Titusville, Pa.	. .	832	8,443	908	1,449	11,632	12,216
209	New York, N. Y.; Newark, Jersey City, N. J.	373,041	636,760	126,774	40,422	122,247	1,299,244	1,379,807
210	Syracuse, Oneida, Utica, N. Y.	74	5,943	52,498	. .	5,329	63,844	64,622
211	Philadelphia, Pa.; Camden, N. J.	13,338	744,325	136,595	45,910	120,243	1,060,411	1,206,835
212	Pittsburgh, Pa.	306	10,136	28,904	1,793	13,217	54,356	58,544
213	Poughkeepsie, N. Y.	93	6	11	. .	1,088	1,198	1,247
214	Reading, Pa.	31	18	3,621	. .	3,036	6,706	7,146
215	Rochester, N. Y.	168	3,682	38,702	. .	10,885	53,437	56,825
216	Scranton, Pa.	566	372	2,738	9	61,656	65,341	66,491
217	Trenton, N. J.	1,078	1,847	93	8,736	1,539	13,293	16,302
218	Vineland, N. J.	13	. .	. .	. .	1,439	1,452	1,480
219	Watertown, N. Y.	. .	. .	261	6,560	102	6,923	6,975
220	Waynesboro, Pa.	. .	43	806	22	456	1,327	1,417
221	Williamsport, Pa.	13,512	408	874	1,597	1,209	17,600	17,675
222	York, Lancaster, Pa.	496	589	15,224	6,222	2,120	24,651	26,547
	Rest of Region	500	1,075	910	3,067	6,311	11,863	13,543
	TOTAL—Middle Atlantic Region	552,502	1,413,299	605,416	118,079	389,966	3,079,262	3,344,509

[1] For cities not listed, consult index list (page 8) for Industrial Area Number.

III. NORTH CENTRAL—A. INFLUENCE ON CONSUMER PURCHASING POWER

(Probable purchasing power resulting from contracts awarded from June 1 to December 31, 1940)

	INDUSTRIAL AREA[1]	Population 1940	Contract Awards		Principal Purpose of Contracts[3]	Retail Sales 1939
			Total June 1 to December 31, 1940	Estimated Resulting Local Purchasing Power[2]		
		Thousands	*Thousands of Dollars*			*Thousands of Dollars*
301	Akron, Ohio	339	66,598	36,700	O	131,173
302	Barksdale, Wis.	. .	870	500	O	. . (4)
303	Bay City, Saginaw, Mich.	131	45,971	25,800	O	57,627
304	Beloit, Madison, Wis.	93	10,243	5,900	S	57,154
305	Benton Harbor, St. Joseph, Mich.	26	1,705	1,000	O	15,128
306	Chanute Field, Ill.	. .	3,577	2,000	C	. . (4)
307	Chicago, Ill.	4,826	153,479	79,900	E	1,996,204
308	Cincinnati, Ohio	907	29,522	15,000	E	359,427
309	Cleveland, Ohio	1,330	89,936	45,000	E	543,618
310	Columbus, Ohio	306	10,047	5,600	C	159,167
311	Moline, Rock Island, Ill.	77	22,065	12,300	O	34,059
312	Dayton, Ohio	295	34,953	19,500	O	119,899
313	Detroit, Mich.	2,270	442,249	243,600	A	875,920
314	South Bend, Elkhart, Ind.	135	14,875	9,300	A	62,497
315	Freeport, Rockford, Belvidere, Ill.	115	4,620	2,500	C	60,135
316	Battle Creek, Hillsdale, Jackson, Mich.	99	17,808	9,700	O	55,592
317	Indianapolis, Ind.	461	80,982	50,700	A	197,234
318	Kansas City, Mo.; Kansas City, Kan.	653	85,087	47,400	O	290,617
319	La Porte, Michigan City, Ind.	43	1,498	600	E	19,158
320	Milwaukee, Racine, Wis.	924	41,326	21,500	O	381,563
321	Montpelier, Ind.	2	3,142	1,500	E	. . (4)
322	Grand Rapids, Muskegon, Mich.	212	28,820	13,500	E	104,277

Some contracts may be completed in a few months; others may extend over three or more years. Comparison of resulting purchasing power with one year's retail sales should be made cautiously and only after examining limitations set out in the text.

III. NORTH CENTRAL—A. INFLUENCE ON CONSUMER PURCHASING POWER—*Continued*

(Probable purchasing power resulting from contracts awarded from June 1 to December 31, 1940)

	INDUSTRIAL AREA[1]	Population 1940	Contract Awards: Total June 1 to December 31, 1940	Contract Awards: Estimated Resulting Local Purchasing Power[2]	Principal Purpose of Contracts[3]	Retail Sales 1939
		Thousands	*Thousands of Dollars*			*of Dollars Thousands*
323	Oshkosh, Wis.	39	35,751	20,800	S	18,260
324	Toledo, Ohio	344	15,041	7,900	O	144,008
325	Wausau, Wis.	27	1,088	500	E	14,421
326	Youngstown, Ohio	570	12,299	6,600	O	190,982
327	Cedar Rapids, Iowa	62	1,723	900	O	33,109
328	Minneapolis, St. Paul, Minn.	918	35,704	19,500	O	470,482
329	Omaha, Neb.	224	6,123	3,400	O	105,453
330	St. Louis, Mo.	1,407	190,506	110,700	O	509,601
331	Wichita, Kan.	115	40,484	25,600	A	53,243
332	Fort Riley, Kan.	..	4,077	2,400	C	.. (4)
333	Marinette, Wis.	..	1,097	500	E	.. (4)
	Rest of Region	..	71,739	39,000	C	..
	TOTAL—North Central Region	40,143	1,605,005	887,300	O	13,389,997

[1] For cities not listed, consult index list (page 8) for Industrial Area Number. [2] Based on probable value added by manufacture (see article). [3] Comparison of Estimated Resulting Local Purchasing Power and Retail Sales should be made only with the understanding that certain types of defense orders can be filled more quickly than others (see article). Key to the symbols in this column: A = Airplanes, Engines, Parts, and Equipment; C = Construction Other than Ships; E = Equipment, Supplies, and Materials; O = Ordnance and Ammunition; S = Ship Construction and Equipment. [4] Not available.

III. NORTH CENTRAL—B. MAJOR KINDS OF ORDERS

(Contract awards from June 1 to December 31, 1940 by selected areas—also awards to January 31)

	INDUSTRIAL AREA[1]	Contracts Awarded June 1 to December 31, 1940: Airplanes, Engines, Parts, and Equipment	Ship Construction and Equipment	Ordnance and Ammunition	Construction Other than Ships	All Other Equipment, Supplies, and Material	Total	Contracts Awarded up to January 31, 1941
		Thousands of Dollars						*Thousands of Dollars*
301	Akron, Ohio	3,422	2,121	38,234	14,215	8,606	66,598	73,179
302	Barksdale, Wis.	..	255	615	..	..	870	3,054
303	Bay City, Saginaw, Mich.	..	7,008	37,228	493	1,332	45,971	82,580
304	Beloit, Madison, Wis.	..	9,012	65	..	1,166	10,243	10,472
305	Benton Harbor, St. Joseph, Mich.	..	47	1,655	..	3	1,705	1,705
306	Chanute Field, Ill.	..	..	..	3,320	257	3,577	3,837
307	Chicago, Ill.	376	13,898	69,374	19,493	50,338	153,479	172,114
308	Cincinnati, Ohio	36	11,719	2,492	945	14,330	29,522	32,194
309	Cleveland, Ohio	2,516	35,327	2,078	417	49,598	89,936	144,232
310	Columbus, Ohio	484	41	191	7,593	1,738	10,047	13,602
311	Moline, Rock Island, Ill.	..	..	17,286	3,784	995	22,065	22,185
312	Dayton, Ohio	1,910	16	27,826	3,109	2,092	34,953	36,380
313	Detroit, Mich.	185,900	4,470	91,321	20,910	139,648	442,249	568,400
314	South Bend, Elkhart, Ind.	14,008	..	11	77	779	14,875	48,759
315	Freeport, Rockford, Belvidere, Ill.	..	16	9	3,639	956	4,620	4,962
316	Battle Creek, Hillsdale, Jackson, Mich.	2,402	..	6,923	4,719	3,764	17,808	18,235
317	Indianapolis, Ind.	71,261	17	6,175	644	2,885	80,982	81,934
318	Kansas City, Mo.; Kansas City, Kan.	336	138	73,614	7,909	3,090	85,087	93,634
319	La Porte, Michigan City, Ind.	..	20	6	..	1,472	1,498	1,532
320	Milwaukee, Racine, Wis.	1,433	7,191	18,235	175	14,292	41,326	47,302
321	Montpelier, Ind.	278	..	1,200	..	1,664	3,142	3,392
322	Grand Rapids, Muskegon, Mich.	6,247	12	125	..	22,436	28,820	30,865
323	Oshkosh, Wis.	..	31,018	60	1,000	3,673	35,751	36,635
324	Toledo, Ohio	191	70	10,908	17	3,855	15,041	15,334
325	Wausau, Wis.	..	..	..	..	1,088	1,088	1,099
326	Youngstown, Ohio	..	345	10,033	18	1,903	12,299	16,146
327	Cedar Rapids, Iowa	..	..	1,138	..	585	1,723	2,534
328	Minneapolis, St. Paul, Minn.	901	45	24,214	5,644	4,900	35,704	36,404
329	Omaha, Neb.	..	..	6,002	..	121	6,123	8,946
330	St. Louis, Mo.	66,007	270	100,144	13,250	10,835	190,506	202,478
331	Wichita, Kan.	35,434	..	..	4,988	62	40,484	40,484
332	Fort Riley, Kan.	..	..	..	4,077	..	4,077	4,077
333	Marinette, Wis.	..	..	..	..	1,097	1,097	1,245
	Rest of Region	758	345	5,176	52,427	13,033	71,739	90,486
	TOTAL—North Central Region	393,900	123,401	552,338	172,773	362,593	1,605,005	1,959,417

[1] For cities not listed, consult index list (page 8) for Industrial Area Number.

IV. SOUTH ATLANTIC—A. INFLUENCE ON CONSUMER PURCHASING POWER

(Probable purchasing power resulting from contracts awarded from June 1 to December 31, 1940)

	INDUSTRIAL AREA[1]	Population 1940	Contract Awards: Total June 1 to December 31, 1940	Contract Awards: Estimated Resulting Local Purchasing Power[2]	Principal Purpose of Contracts[3]	Retail Sales 1939
		Thousands	*Thousands of Dollars*			*Thousands of Dollars*
401	Anderson, S. C.	19	9,962	5,300	C	8,864
402	Atlanta, Ga.	302	19,206	8,400	E	172,279
403	Baltimore, Annapolis, Md.	1,028	283,559	174,900	A	416,705
404	Charleston, S. C.	71	92,805	55,400	S	29,064
405	Charleston, Huntington, W. Va.	147	48,276	27,800	C	75,056
406	Charlotte, N. C.	101	4,752	2,000	E	47,552
407	Chattanooga, Tenn.; Rossville, Ga.	132	12,252	5,700	E	57,251
408	Columbus, Ga.	53	6,533	3,800	C	23,650
409	Elkin, N. C.	3	6,622	2,800	E	1,860
410	Fort Bragg, N. C.	..	17,804	10,300	C	..(4)
411	Fort Jackson, Columbia, S. C.	62	10,523	6,000	C	33,193
412	Greensboro, N. C.	59	3,993	1,700	E	27,896
413	Hagerstown, Md.; Martinsburg, W. Va.	48	9,882	6,100	A	23,437
414	Indianhead, Md.	..	17,408	9,800	O	..(4)
415	Jacksonville, Fla.	173	27,971	16,200	C	73,951
416	Macon, Ga.	58	5,475	3,200	C	25,208
417	Miami, Key West, Fla.	185	6,076	3,500	C	105,737
418	Norfolk, Newport News, Portsmouth, Va.	232	630,371	376,500	S	99,029
419	Parris Island, S. C.	..	7,547	4,400	C	..(4)
420	Pensacola, Fla.	37	5,082	2,900	C	16,944
421	Richmond, Va.	193	2,047	1,000	O	108,306
422	Roanoke, Lynchburg, Va.	114	61,036	34,700	C	57,426
423	Savannah, Ga.	96	4,116	2,400	C	34,513
424	Tampa, Fla.	108	3,562	2,000	C	46,134
425	Washington, D. C.; Alexandria, Va.	697	207,970	117,200	O	416,964
426	Wilmington, Del.	113	2,985	1,700	S	64,951
427	Wheeling, W. Va.	414	2,009	900	E	127,680
	Rest of Region	..	40,169	22,400	C	..
	TOTAL—South Atlantic Region	17,823	1,549,993	909,000	S	4,368,947

[1] For cities not listed, consult index list (page 8) for Industrial Area Number. [2] Based on probable value added by manufacture (see article). [3] Comparison of Estimated Resulting Local Purchasing Power and Retail Sales should be made only with the understanding that certain types of defense orders can be filled more quickly than others (see article). Key to the symbols in this column: A = Airplanes, Engines, Parts, and Equipment; C = Construction Other than Ships; E = Equipment, Supplies, and Materials; O = Ordnance and Ammunition; S = Ship Construction and Equipment. [4] Not available.

IV. SOUTH ATLANTIC—B. MAJOR KINDS OF ORDERS

(Contract awards from June 1 to December 31, 1940 by selected areas—also awards to January 31)

	INDUSTRIAL AREA[1]	Contracts Awarded June 1 to December 31, 1940: Airplanes, Engines, Parts, and Equipment	Ship Construction and Equipment	Ordnance and Ammunition	Construction Other than Ships	All Other Equipment, Supplies, and Material	Total	Contracts Awarded up to January 31, 1941
		Thousands of Dollars						*Thousands of Dollars*
401	Anderson, S. C.	47	..	3	6,742	3,170	9,962	10,319
402	Atlanta, Ga.	..	..	242	2,104	16,860	19,206	20,673
403	Baltimore, Annapolis, Md.	221,799	841	22,833	22,941	15,145	283,559	286,685
404	Charleston, S. C.	..	87,947	..	3,934	924	92,805	94,702
405	Charleston, Huntington, W. Va.	19	527	132	46,527	1,071	48,276	48,332
406	Charlotte, N. C.	..	..	..	3	4,749	4,752	6,132
407	Chattanooga, Tenn.; Rossville, Ga.	..	..	3,422	401	8,429	12,252	12,294
408	Columbus, Ga.	..	..	..	6,397	136	6,533	6,779
409	Elkin, N. C.	..	..	..	..	6,622	6,622	6,741
410	Fort Bragg, N. C.	..	..	..	17,804	..	17,804	17,804
411	Fort Jackson, Columbia, S. C.	..	..	..	9,724	799	10,523	10,782
412	Greensboro, N. C.	..	..	..	2	3,991	3,993	3,993
413	Hagerstown, Md.; Martinsburg, W. Va.	7,837	13	..	1,093	939	9,882	9,966
414	Indianhead, Md.	..	..	15,433	1,975	..	17,408	17,408
415	Jacksonville, Fla.	..	81	..	27,867	23	27,971	29,373
416	Macon, Ga.	..	..	..	5,454	21	5,475	7,148
417	Miami, Key West, Fla.	..	764	..	5,311	1	6,076	6,210
418	Norfolk, Newport News, Portsmouth, Va.	..	572,662	761	53,473	3,475	630,371	638,910
419	Parris Island, S. C.	..	..	..	7,547	..	7,547	10,616
420	Pensacola, Fla.	..	13	..	5,047	22	5,082	5,426
421	Richmond, Va.	..	..	1,092	1	954	2,047	2,153
422	Roanoke, Lynchburg, Va.	..	..	24,738	35,025	1,273	61,036	61,049
423	Savannah, Ga.	..	8	..	4,108	..	4,116	4,206

IV. SOUTH ATLANTIC—B. MAJOR KINDS OF ORDERS—*Continued*

(Contract awards from June 1 to December 31, 1940 by selected areas—also awards to January 31)

	INDUSTRIAL AREA[1]	Contracts Awarded June 1 to December 31, 1940: Airplanes, Engines, Parts, and Equipment	Ship Construction and Equipment	Ordnance and Ammunition	Construction Other than Ships	All Other Equipment, Supplies, and Material	Total	Contracts Awarded up to January 31, 1941
		Thousands of Dollars						*Thousands of Dollars*
424	Tampa, Fla.	..	..	..	3,009	553	3,562	3,598
425	Washington, D. C.; Alexandria, Va.	59	16,705	178,295	11,901	1,010	207,970	208,492
426	Wilmington, Del.	..	1,722	160	924	179	2,985	3,056
427	Wheeling, W. Va.	..	37	272	..	1,700	2,009	2,057
	Rest of Region	..	328	4,627	29,941	5,273	40,169	58,879
	TOTAL—South Atlantic Region	229,761	681,648	252,010	309,255	77,319	1,549,993	1,593,783

[1] For cities not listed, consult index list (page 8) for Industrial Area Number.

V. SOUTH CENTRAL—A. INFLUENCE ON CONSUMER PURCHASING POWER

(Probable purchasing power resulting from contracts awarded from June 1 to December 31, 1940)

	INDUSTRIAL AREA[1]	Population 1940	Contract Awards: Total June 1 to December 31, 1940	Estimated Resulting Local Purchasing Power[2]	Principal Purpose of Contracts[3]	Retail Sales 1939
		Thousands	*Thousands of Dollars*			*Thousands of Dollars*
501	Alexandria, La.	27	4,243	2,500	C	12,278
502	Austin, Waco, Tex.	144	6,155	2,700	E	64,406
503	Birmingham, Anniston, Ala.	293	12,992	7,200	O	108,583
504	Brownwood, Tex.	14	7,368	4,200	C	6,851
505	Corpus Christi, Tex.	57	28,317	16,400	C	31,888
506	Dallas, Fort Worth, Tex.	472	40,525	25,500	A	265,880
507	El Paso, Tex.	97	3,371	1,900	C	39,115
508	Gadsden, Ala.	37	1,245	700	C	12,514
509	Hattiesburg, Miss.	21	9,774	5,700	C	8,461
510	Houston, Tex.	385	30,204	17,500	C	193,965
511	Knoxville, Tenn.	112	1,954	900	E	52,702
512	Little Rock, Ark.	88	4,660	2,700	C	41,063
513	Louisville, Ky.; Jeffersonville, Ind.	331	106,839	60,800	C	134,524
514	Memphis, Tenn.	293	3,685	1,600	E	135,486
515	Mobile, Ala.	79	34,314	20,500	S	30,838
516	Nashville, Tenn.	167	2,593	1,100	E	80,389
517	New Orleans, La.	495	6,231	3,600	S	157,072
518	Orange, Tex.	7	98,310	58,800	S	3,057
519	San Angelo, Tex.	26	4,762	2,800	C	15,415
520	San Antonio, Tex.	254	5,544	3,200	C	103,028
521	Tullahoma, Tenn.	5	8,986	5,200	C	1,546
522	Tulsa, Okla.	142	1,873	1,200	A	67,806
523	Pascagoula, Miss.	6	52,000	31,200	S	1,396
	Rest of Region	..	33,055	18,100	O	..
	TOTAL—South Central Region	23,843	509,000	296,000	C	4,946,395

[1] For cities not listed, consult index list (page 8) for Industrial Area Number. [2] Based on probable value added by manufacture (see article). [3] Comparison of Estimated Resulting Local Purchasing Power and Retail Sales should be made only with the understanding that certain types of defense orders can be filled more quickly than others (see article). Key to the symbols in this column: A = Airplanes, Engines, Parts, and Equipment; C = Construction Other than Ships; E = Equipment, Supplies, and Materials; O = Ordnance and Ammunition; S = Ship Construction and Equipment.

V. SOUTH CENTRAL—B. MAJOR KINDS OF ORDERS

(Contract awards from June 1 to December 31, 1940 by selected areas—also awards to January 31)

	INDUSTRIAL AREA[1]	Contracts Awarded June 1 to December 31, 1940: Airplanes, Engines, Parts, and Equipment	Ship Construction and Equipment	Ordnance and Ammunition	Construction Other than Ships	All Other Equipment, Supplies, and Material	Total	Contracts Awarded up to January 31, 1941
		Thousands of Dollars						*Thousands of Dollars*
501	Alexandria, La.	..	..	..	4,243	..	4,243	11,271
502	Austin, Waco, Tex.	..	..		533	5,622	6,155	6,383
503	Birmingham, Anniston, Ala.	..	100	8,166	3,764	962	12,992	14,806
504	Brownwood, Tex.	..	..	..	7,287	81	7,368	7,673
505	Corpus Christi, Tex.	..	..	..	28,317	.	28,317	28,558
506	Dallas, Fort Worth, Tex.	37,771	..	..	842	1,912	40,525	42,164
507	El Paso, Tex.	..	..	..	3,250	121	3,371	3,371
508	Gadsden, Ala.	..	..	..	1,138	107	1,245	1,261
509	Hattiesburg, Miss.	..	..	.	9,774	..	9,774	9,774
510	Houston, Tex.	..	..	853	29,239	112	30,204	35,536
511	Knoxville, Tenn.	..	..	362	..	1,592	1,954	1,994

V. SOUTH CENTRAL—B. MAJOR KINDS OF ORDERS—*Continued*

(Contract awards from June 1 to December 31, 1940 by selected areas—also awards to January 31)

	INDUSTRIAL AREA[1]	Contracts Awarded June 1 to December 31, 1940: Airplanes, Engines, Parts, and Equipment	Ship Construction and Equipment	Ordnance and Ammunition	Construction Other than Ships	All Other Equipment, Supplies, and Material	Total	Contracts Awarded up to January 31, 1941
		Thousands of Dollars						*Thousands of Dollars*
512	Little Rock, Ark.	..	..	..	4,660	..	4,660	4,676
513	Louisville, Ky.; Jeffersonville, Ind.	80	16	43,989	60,799	1,955	106,839	164,933
514	Memphis, Tenn.	..	15	..	..	3,670	3,685	3,732
515	Mobile, Ala.	..	28,987	..	5,327	..	34,314	34,314
516	Nashville, Tenn.	..	..	..	..	2,593	2,593	2,731
517	New Orleans, La.	..	3,617	..	2,178	436	6,231	7,674
518	Orange, Tex.	..	87,080	..	11,230	..	98,310	99,790
519	San Angelo, Tex.	65	..	..	4,697	..	4,762	8,582
520	San Antonio, Tex.	..	..	..	5,479	65	5,544	7,334
521	Tullahoma, Tenn.	..	..	..	8,638	348	8,986	9,056
522	Tulsa, Okla.	1,860	..	..	13	..	1,873	1,873
523	Pascagoula, Miss.	..	50,000	..	2,000	..	52,000	106,000
	Rest of Region	..	55	28,320	1,436	3,244	33,055	59,867
	TOTAL—South Central Region	39,776	169,870	81,690	194,844	22,820	509,000	673,353

[1] For cities not listed, consult index list (page 8) for Industrial Area Number.

VI. PACIFIC MOUNTAIN—A. INFLUENCE ON CONSUMER PURCHASING POWER

(Probable purchasing power resulting from contracts awarded from June 1 to December 31, 1940)

	INDUSTRIAL AREA[1]	Population 1940	Contract Awards: Total June 1 to December 31, 1940	Estimated Resulting Local Purchasing Power[2]	Principal Purpose of Contracts[3]	Retail Sales 1939
		Thousands	*Thousands of Dollars*			*Thousands of Dollars*
601	Denver, Pueblo, Colo.	375	7,315	4,100	O	200,763
602	Hawthorne, Nev.	..	2,240	1,300	C	.. (4)
603	Los Angeles, Calif.	2,786	556,866	347,800	A	1,314,497
604	Monterey, Fort Ord, Calif.	10	6,502	3,800	C	7,614
605	Portland, Ore.; Vancouver, Wash.	324	29,987	17,600	S	193,212
606	Salt Lake City, Ogden, Utah	194	5,784	3,400	C	95,334
607	San Diego, Calif.	203	240,401	151,600	A	95,555
608	San Francisco, Calif.	1,413	449,544	268,300	S	730,431
609	Santa Barbara, Calif.	35	5,086	2,800	C	23,261
610	Seattle, Tacoma, Wash.	687	534,030	323,900	S	305,771
611	Fort Huachuca, Ariz.	..	1,148	700	C	.. (4)
612	El Segundo, Calif.	4	9,602	6,100	A	1,096
	Rest of Region	..	14,950	8,600	C	..
	TOTAL—Pacific Mountain Region	13,883	1,863,455	1,140,000	S	5,726,166

[1] For cities not listed, consult index list (page 8) for Industrial Area Number. [2] Based on probable value added by manufacture (see article). [3] Comparison of Estimated Resulting Local Purchasing Power and Retail Sales should be made only with the understanding that certain types of defense orders can be filled more quickly than others (see article). Key to the symbols in this column: A = Airplanes, Engines, Parts, and Equipment; C = Construction Other than Ships; E = Equipment, Supplies, and Materials; O = Ordnance and Ammunition; S = Ship Construction and Equipment. [4] Not available.

VI. PACIFIC MOUNTAIN—B. MAJOR KINDS OF ORDERS

(Contract awards from June 1 to December 31, 1940 by selected areas—also awards to January 31)

	INDUSTRIAL AREA[1]	Contracts Awarded June 1 to December 31, 1940: Airplanes, Engines, Parts, and Equipment	Ship Construction and Equipment	Ordnance and Ammunition	Construction Other than Ships	All Other Equipment, Supplies, and Material	Total	Contracts Awarded up to January 31, 1941
		Thousands of Dollars						*Thousands of Dollars*
601	Denver, Pueblo, Colo.	..	3	4,651	2,122	539	7,315	109,775
602	Hawthorne, Nev.	..	..	31	2,209	..	2,240	2,240
603	Los Angeles, Calif.	378,594	124,142	12,595	40,154	1,381	556,866	624,823
604	Monterey, Fort Ord, Calif.	..	..	..	6,496	6	6,502	7,890
605	Portland, Ore.; Vancouver, Wash.	..	24,065	91	3,912	1,919	29,987	55,293
606	Salt Lake City, Ogden, Utah	..	..	..	5,780	4	5,784	5,881
607	San Diego, Calif.	203,313	549	..	36,448	91	240,401	244,017
608	San Francisco, Calif.	2,535	398,733	365	44,457	3,454	449,544	620,787
609	Santa Barbara, Calif.	11	..	..	4,012	1,063	5,086	5,086
610	Seattle, Tacoma, Wash.	133,890	356,661	424	36,758	6,297	534,030	608,872
611	Fort Huachuca, Ariz.	..	..	..	1,148	..	1,148	1,148
612	El Segundo, Calif.	9,602	..	..	..	..	9,602	9,602
	Rest of Region	11	563	9	13,608	759	14,950	19,250
	TOTAL—Pacific Mountain Region	727,956	904,716	18,166	197,104	15,513	1,863,455	2,314,664

[1] For cities not listed, consult index list (page 8) for Industrial Area Number.

NORTHBOUND FROM GRAND CENTRAL TERMINAL, NEW YORK CITY—PHOTOGRAPH BY INTERNATIONAL NEWS PHOTOS

A New Business—
The Care and Feeding
of 3,000,000 Skiers

MAKING THE HILLS PAY

FRANK ELKINS
Ski Editor, The New York Times

IN 1936, in December, 100,000 New Yorkers jammed four days of skiing performances in Madison Square Garden. Exhibitors in the basement sold $125,000 worth of skiing equipment. Then until mid-January a single department store's sales of skiing merchandise averaged $36,000 a week. All this before there was scarcely any snow in the metropolitan area at all.

This phenomenon occurred about midway in time between those years when skiers still seemed plainly a handful of nuts and this present Winter of 1940-1941, when there are so many active skiing enthusiasts that if all of them are darned fools, Heaven help the nation.

Pastime to Industry

That it did occur explains much about the amazing growth of skiing from an esoteric pastime to at least a minor industry. It has been a growth strongly encouraged by astute and copious publicity. And it must be attributed also to the remarkable effect which the sport of skiing, both in anticipation and accomplishment, has upon the more susceptible. They now number 3,000,000, one-fifth of them women.

First reported in the Census of Manufactures in 1931, the factory value of skis and snowshoes (and who now hears about snowshoes?) was $163,032. In 1935 it had increased to $417,155; in 1937 it was $1,236,585; in 1939, $1,078,685. This year manufacturers are reported to be having a difficult time matching demand. That the 1939 value of product receded from the 1937 peak means only that the dollar emphasis (once a considerable army of amateurs owned their skis) was transferred from original investment to maintenance charges—train fares, inn and hotel bills, food, gasoline, clothing, movies, and ski-area admission fees.

For the agents of all these goods and services, for the towns which no longer had lonely Winters but hordes of city-visitors, it meant by 1938 a volume of business of approximately $20,000,000, by last Winter nearly twice that. The 1938 total included about $3,000,000 for skis, poles, bindings, and accessories; $6,000,000 for clothing; $3,000,000 for transportation; $500,000 for instruction; and $4,500,000 for communications, movies, cigarettes, and food. Hotels, inns, lodges, and tourist houses shared too, in an amount which can scarcely be estimated, and they continued individually to publicize their quarters, their immediate areas, and, collectively, their new benefactor.

Why Ski?

The publicity has been sown in fertile soil. The skier-to-be buys equipment much as he would buy a rowing machine. But he uses it; because it promises the thrill of speed and the opportunity (as idealized photographs make it seem) to surround his city-inhibited soul with acres of open country; because—contradictorily—ten of his friends are going skiing a week from Friday. It is, moreover, a challenge. Can he do it?

Thus was bought $125,000 worth of skiing equipment in the basement of Madison Square Garden. A fad, possibly, like Tom Thumb golf. But once practised, it proved a fascination that held each new aspirant.

After his first wobbly week-end a skier will return to the hills to see if he cannot do better, and better. His hope of its being good for him has been exceeded by the pleasurable feeling of well-being that was his for two days. Half expectant though he had been of another Saturday night toot, he found that he was pumped full of fresh air, wanted only to eat dinner voraciously, talk a while, and go to bed. Already he's on his way to the skier's asceticism, the early rising, the clear eye, the firm hand.

Equally compelling is the attraction of that which is scarce. How many more "good week-ends?" What of the weather this week-end? Now he wants to ski; he may not be able to; and though he may be conscious of it only part of the time, he has an original investment which he must amortize over as many hours of skiing as possible.

So he talks of the weather all week, he telephones the railroad stations and department stores for information (which they have, which they were sent), he reads the end-of-the-week editions of morning and afternoon papers for information (which they have, which they were sent). He telegraphs or telephones long distance for lodging, because he is uncertain about snow conditions until too late to write. He takes a train or he drives a hundred more miles than he had intended to, spends more than he had intended to, because he has arranged to ski this week-end at hand and he must go wherever he can go.

If he, or she, be gregarious, they go by train, and count companionship with like-minded, like-spirited people part of the fun of the trip.

Of skiing the Canadian Pacific Railroad has made an important revenue-producing activity, in twelve years of promotion that illustrates virtually every kind of enticement employed by all the others who fish in the golden stream. Since 1928, when it sent its first ski special into the Laurentians, the Canadian Pacific has helped prepare surveys of the mountain country, open up and exploit favorable districts, persuade newspapers and magazines to print stories and pictures, sponsor skiing competitions that would find their way into newsreels, establish ski schools, inspire radio talks and illustrated lectures. Canadian Pacific has painted colorful posters, folded folders, charted ski trails, and scheduled advertising in periodicals. It has established an elaborate system for gathering reports of snow conditions and disseminating them to press and radio.

ACME

Builder of 1,000 miles of ski trails and 169 labor-saving tows, New England has worked industriously to make its long Winters still more attractive to ski-minded visitors.

Snow Trains

That first Canadian Pacific train in 1928 carried 100 skiers. By the Winter's end passengers totalled 14,000. Last Winter 390 Canadian Pacific trains hauled skiers to the number of 145,000. On one single week-end the traffic exceeded 10,000.

In the United States the beginning of general enthusiasm for the sport began a few years later. It was the Boston & Maine Railroad which introduced the first snow train in this country, 1931, carrying 197 passengers. Then followed in 1932 the first Winter Olympics in the United States, at Lake Placid. The relatively few spectators and the multitudes who were transported there by newpaper and motion picture saw the foremost skiers of the world.

But would-be skiing enthusiasts were still confronted with the prospect of laborious climbing. Then in 1933 Canadian Alexander Foster got an idea. At Strawbridge, Quebec, he built the first ski-tow. The device was introduced to the United States the next year, when Robert Royce, proprietor of an inn at Woodstock, Vt., had an automobile engine set atop Gilbert's Ski Hill and had attached to it a long, endless rope.

INTERNATIONAL NEWS PHOTOS

At Sun Valley, Idaho, since 1935 a favorite resort of the well-to-do, skiers rise effortlessly to the summit of Dollar Mountain on an endless chain of chairs.

Skiers grasped it apprehensively. They reached the hilltop quickly, easily, as they never had before. Soon there were tows everywhere, and multitudes who had never skied before. It is a truism that "as the dubs go, so goes the sport."

Next for the leisurely came tows with chairs suspended from an up-going overhead rope and Alpine cable cars, the first of which was the aerial tramway at Franconia, N. H. Glass-enclosed, it lifted 2,000 feet to the 4,000-foot summit of Cannon Mountain. Built in 1938 and financed by the State, the tramway last year carried 56,000 passengers in a four-month season. At Mont Tremblant in the Canadian Laurentians a chair lift which cost some $110,000 was this year augmented by a $60,000 Alpine tramway.

Also in New Hampshire, at North Conway, is the skimobile, ingenious device of Harvey Gibson, president of the Manufacturers Trust Company and chairman of the New York World's Fair. Last year 122,000 rode it up Cranmore Mountain.

Boost for New England

By the Winter of 1935-1936 (year of the phenomena which accompanied the Madison Square Garden show) skiing was not only the young hopeful of department stores, but an active source of railroad revenue and a carefully nurtured new business for New England.

Department stores went overboard to the extent of installing indoor slides of borax. Now extinct, the slides failed to teach very well the fundamentals, but at least they gave spectators another opportunity to see what skiing was like.

That year the pioneering Boston & Maine carried 23,000 passengers, the New York Central (with the Delaware & Hudson) 27,000, the New Haven 12,500, and the Lackawanna, operating only five trains to the Poconos in Pennsylvania, 1,600. By 1940 snow trains ran up to four sections of fourteen cars each.

In New England, where skiing was one of a number of diversions and truly one of a number of new industries fos-

ACME

At the end of the skier's day lodges of warmth and conviviality gain their share of his recent, golden patronage.

tered to replace mill-money which had departed the region, 150 inns and hotels in 1935-1936 stayed open for a second Winter season. By 1940, according to the New England Council, more than 500,000 persons visited the region to ski, spending $1,000,000 in three centers alone. Eleven hotels in New Hampshire, with a capacity of 873 beds, sold 19,700 guest days for a gross income of $114,000, at $5.80 a guest day.

The New England Council further reports that midweek business averages 10 to 15 per cent of week-end trade, that in the middle of the week as many women ski as men. Guests who answered a questionnaire ranked their wishes in this order: first, food; second, appealing atmosphere; only third (surprisingly) the sports facilities. The last may be the biased judgment of skiers who have worried all week about the weather but have now arrived at their destination. Nonetheless, to attract the less single-minded, New England hotels are providing dancing, in particular arranging barn and square dances, setting up ping-pong tables, and renovating rooms for other games.

Other very recent efforts to please city people with jingling pockets are the longest and highest chair-lift in the world, at Mount Mansfield, Vt., an Alpine ski lift at Rutland, Vt., and a vast, smooth pasture on North Mountain, Mass., where the cows have been moved down into the valley so that skiers may warm themselves in the redecorated hillside barn. In all, there are in New England now 1,000 miles of ski trails, 169 ski tows, and 99 jumps.

New England, beyond question, has worked industriously to cultivate the skier. But to that region and to Canada go only a part of the skiers, as the State-by-State record of 1,289,000 admissions to the national forests for Winter sports (predominantly skiing) makes plain. In the calendar year of 1939, Winter sports participants in national forests in New Hampshire numbered 72,000, in Vermont 10,000.

ACME

Tired now, they will return to the mountain again next week-end, for strenuous though skiing is, they are relaxed and refreshed. Merchants, railroad operators, and other interested business men well know the power of the health appeal.

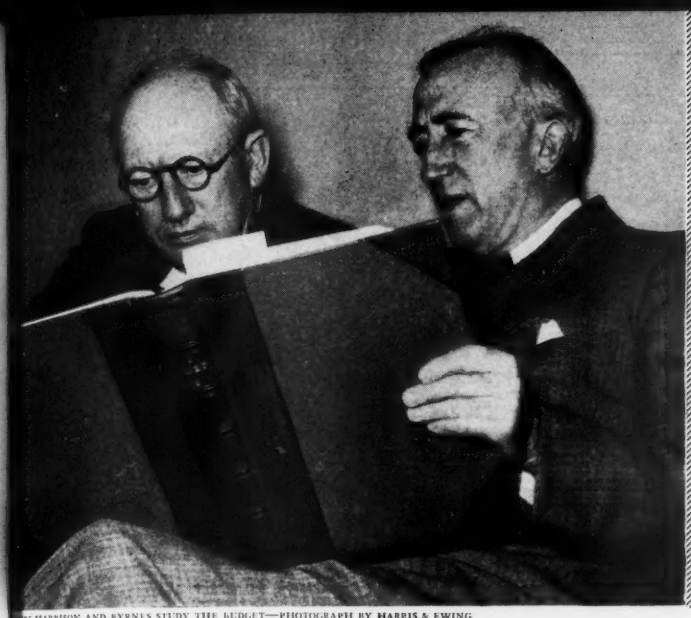
In National Forests

But the list continues with Alaska 10,000, Arizona 5,000, Colorado 82,000, Michigan 15,000, Minnesota 5,000, Montana 53,000, Nevada 10,000, Oregon 146,000, South Dakota 5,000, Utah 182,000, Washington 146,000, Wisconsin 13,000, Wyoming 21,000, and California 450,000.

Two years before, according to the California Chamber of Commerce, the 1,500,000 people who visited the snow areas of that State (not solely the California national forests) spent upwards of $12,000,000.

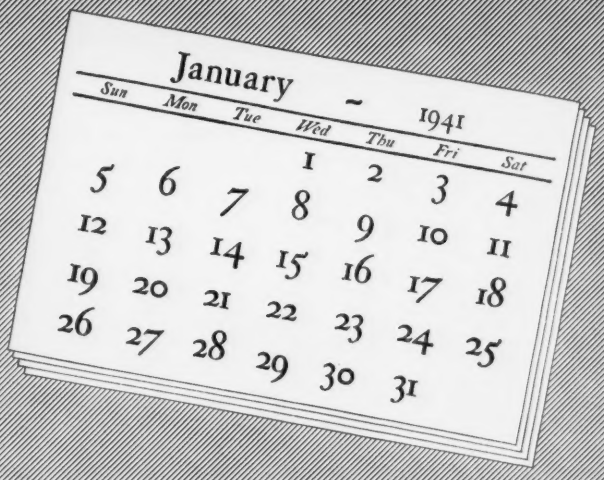
Idaho, national forest figures record, accounts for at least another 40,000. These, however, are not the Idaho skiers who come to the minds of readers of picture magazines and Sunday newspapers. Instead they think first of Sun Valley and its $1,500,000 lodge built by Averill Harriman, board chairman of the Union Pacific Railroad. At Sun Valley, as is now the trend throughout the country, ski clothes have been light in weight and conservative in color, not heavy and variegated. To Sun Valley since the lodge was built in 1935 many of the well-to-do guests have flown overnight from New York. Now from New York "snow planes" go also to Canada and New England.

Latest to share in the skiing industry's favor are the power companies and a new, lavishly illustrated monthly magazine of Winter sports (four months a year) which is only the most recent of several now published. Power companies' new business is only a trickle, but may in time be more, for just beginning is the widespread installation of floodlights for night skiing. The newest magazine, fittingly, summarizes in its advertising the kinds of business whose stake in skiing is longer established. Represented there are railroads, automobile ski-racks, snow regions, camping equipment, boots, clothing, cigarettes, newsletters, hotels, inns, tourist homes, schools, ski equipment, cameras, and ski slopes, tows, and restaurants. For the producers of these goods and services the last five years have, ski-wise at least, been boom ones.



S HARRISON AND BYRNES STUDY THE BUDGET—PHOTOGRAPH BY HARRIS & EWING

BUSINESS DIARY



Event of the Month

Annual Presidential budget message asks Congress for $17,485,528,049, of which $10,811,000,000 is for defense; suggests borrowing to finance new deficit.

1 State sales, use, and income taxes take effect on persons, companies, and transactions in Federal areas within States.

6 International Telephone & Telegraph Corporation sell Roumanian Telephone Company to National Bank of Roumania for $13,800,000 payable from funds frozen in United States.

7 President Roosevelt gives William S. Knudsen and Sidney Hillman equal powers over national defense program, authorizing them to formulate and to execute all policies and measures necessary to insure increased defense production. Sets up Divisions of Production, Purchase, and Priorities. . . . Scrap metal dealers told that price stabilization requires number one heavy melting steel scrap, now at $22, be reduced to a level not to exceed $20, Pittsburgh price.

8 U. S. Navy reorganized into Atlantic, Pacific, and Asiatic fleets. . . . Annual Presidential budget message asks $17,485,528,049, of which $10,811,000,000 would be for national defense. Funds for helping Allied war effort not included.

10 In seven-hour attack, 40 German dive bombers cripple British aircraft carrier *Illustrious* and cause fires which destroy cruiser *Southampton*.

12 Secretary of Agriculture offers to farmers who reduce cotton acreage below regular 1941 quota, stamps good for purchase of cotton goods.

18 A diesel engine in which one cylinder serves as three, giving double the power at no increase in weight, has been patented. . . . Patent was also granted for new smokeless and flashless gunpowder which does not become moist in damp weather.

During the Month

Office for Production Management is organized with three divisions. . . . German dive bombers cripple a British aircraft carrier and destroy cruiser.

24 Germany purchases virtually entire 1941 Bulgarian tobacco crop, 46,000 tons, valued at 4,000,000,000 leva, two-fifths of Bulgaria's annual budget. . . . $3,000,000 credit from Bank of Brazil helps finance establishment of paper pulp manufacturing by Klabin Industries in Brazil.

28 U. S. Steel reports 1940 net profit of $102,181,321, highest since 1930 and 148½ per cent above 1939. . . . Washington dispatch, credited to "high Administration officials," says industries which reach an agreement at the request of the National Defense Advisory Commission on prices of materials needed for national defense will not be prosecuted under anti-trust laws. . . . Equitable Life Assurance Society bids successfully for $3,000,000 of Northern Pacific Railway equipment certificates.

29 Songs controlled by Broadcast Music, Inc., take lead in sales of sheet music throughout the nation.

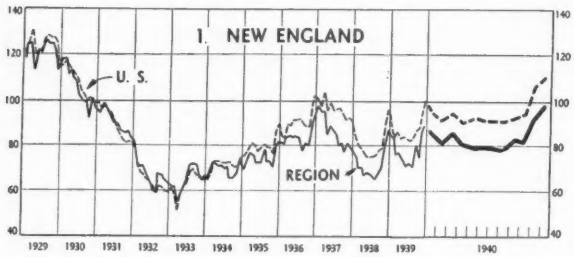
30 Ford Motor Company, lowest bidder for 11,781 army trucks, loses $10,000,000 order for refusing to agree to specifications regarding labor conditions. . . . Japan obtains right to purchase 80 per cent of Indo-China's rice crop in return for mediation of border war with Thailand (Siam).

31 Four largest New York banks to act jointly on financing of defense contractors referred to them by National Defense Advisory Counsel, quickly determining whether a loan should be granted, then asking contractor's bank if it will handle financing, and if it won't, dividing the amount of the loan among themselves. . . . Method for forecasting fog twelve to eighteen hours in advance, predicting exact density at a specific point and time, reported by Eastern Air Lines meteorologist.

THE REGIONAL TRADE BAROMETERS

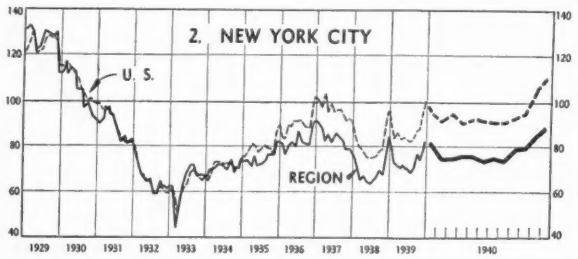
These barometers are indexes of consumer buying for 29 trading areas in the United States. A summary of regional trends begins on the opposite page. Charts on this page and the four following left-hand pages compare the index for each region with the index for the United States since January, 1929. The accompanying paragraphs give further detail about regional trade conditions. Additional information is available concerning the indexes, their use in sales quota work, back figures, and data about regional boundaries.

CORRECTED FOR SEASONAL VARIATION — 1928–1932=100 — REGIONS 1–5



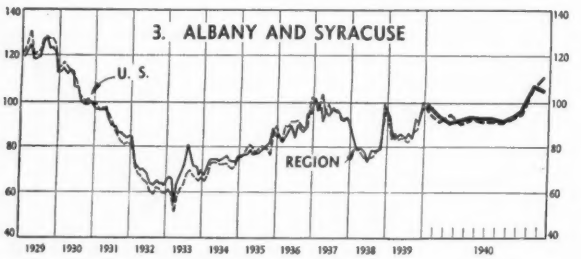
REGION 1: DEC., 98.1 NOV., 92.0 DEC. 1939, 88.9

DECEMBER—Percentage department store sales increases over previous December: Boston 2, Providence–New Haven 5. JANUARY—Percentage retail trade increases over previous January: Bangor 3, Portland 0, Boston–Springfield 8, New Bedford 6, Worcester 2, Providence 9, Hartford 13, New Haven 25. Wholesale trade increases: Portland 2, Boston 5, Springfield 10. Payrolls and production above last year, steady to up from December level. Heavy industries extremely active with good backlog of orders. Industrial activity said to be best since 1923. Some textile factories running at 100% capacity. Collections fair to good. FEBRUARY—Retail trade continues to gain, especially in cities having large defense orders.



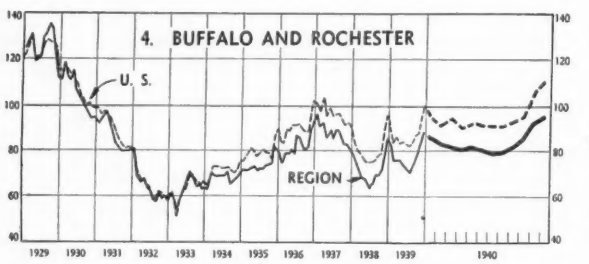
REGION 2: DEC., 87.7 NOV., 84.1 DEC. 1939, 81.9

DECEMBER—Percentage department store sales changes from previous December: New York and Brooklyn +6, Bridgeport +11, Westchester–Stamford —17. JANUARY—Percentage retail trade increases over previous January: Bridgeport 15, New York City department store sales 6, hotel sales 6. Seasonal decline in New York City employment smaller than usual due to large gains at metal plants. Sales of rayon cloth and Spring shipments of dress manufacturers materially increased over last year. Rayon prices firming. Cotton goods sales larger than last year. Knit goods and ribbon factory sales expanding. Collections satisfactory. FEBRUARY—New York City department store volume up 15% from 1940. Furniture and food sales active.



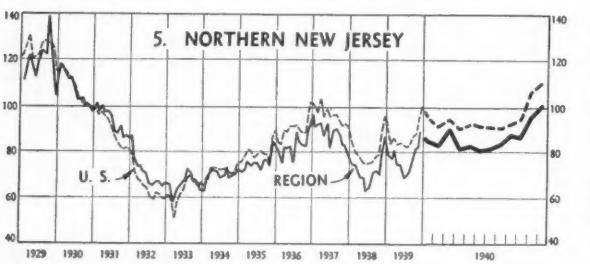
REGION 3: DEC., 105.3 NOV., 106.9 DEC. 1939, 96.8

DECEMBER—Percentage department store sales increases over previous December: Syracuse 8, Northern State 9, Central State 3. JANUARY—Percentage retail trade increases over previous January: Albany 18, Binghamton 7, Utica 10, Syracuse 12. Wholesale trade increases: Albany 15, Syracuse 25. Payrolls and production above a year ago, steady to up in month. Metal industries operating close to capacity. Knitting mills active with orders well into the Spring. Binghamton shoe factories running slightly ahead of 1940. Johnstown-Gloversville glove center very active on both Government and civilian orders. FEBRUARY—Retail volume above 1940. Industry very active.



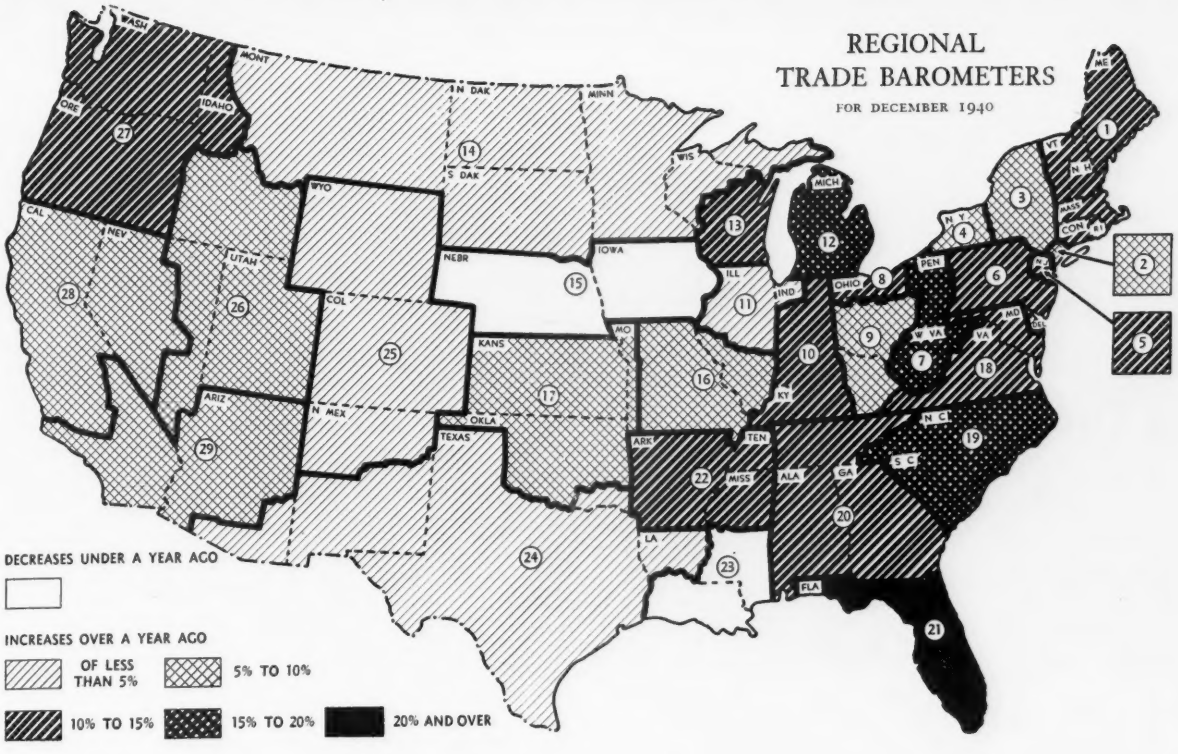
REGION 4: DEC., 95.1 NOV., 92.5 DEC. 1939, 87.8

DECEMBER—Percentage department store sales changes from previous December: Buffalo +7, Rochester +1, Niagara Falls —1. JANUARY—Percentage retail trade increases over previous January: Buffalo 12, Elmira 10, Rochester 3. Buffalo wholesale trade up 10%. Payrolls and production above previous month and year. Buffalo metals and machinery firms busy on large defense orders. Rochester apparel plants had seasonal increases in employment and payrolls, and metal factories gained; increases in these industries were sufficient to offset losses at food, chemical, and clay products firms. Employment 25% above last January at Buffalo, up 8% in Rochester. Collections fair to good. FEBRUARY—Retail sales 8% above a year ago.



REGION 5: DEC., 100.8 NOV., 95.8 DEC. 1939, 89.0

DECEMBER—Northern New Jersey department store sales 4% ahead of the previous December. JANUARY—Newark retail trade up 3% from last January, off 50% from Christmas peak. Wholesale volume 5% above a year ago. Payrolls and production steady with last year, better than last month. Defense industries very active. Employment in Paterson surpassed peak 1929 level, aided in part by expansion in aircraft industry. Bank clearings up 5% from 1940 in Northern New Jersey, up 14% in Newark alone. Collections better than last year in wholesaling and retailing, about the same in manufacturing. FEBRUARY—Department store sales up 19%, other retail trade 5% from last year. Continued upward trend in manufacturing.



BEST MIDWINTER BUYING IN YEARS

The United States Trade Barometer declined to 108.0 (preliminary) in January from 110.5 in December. Barometer figures are compiled by Dr. L. D. H. Weld, Director of Research, McCann-Erickson, Inc.; trade information is reported by branch offices of DUN & BRADSTREET, INC.

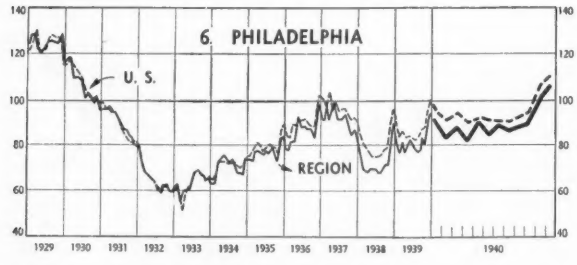
CONSUMER BUYING reports continue to be the most favorable for the season in eleven years. The January index for the United States at 108.0 is higher than any other January figure since 1930, and incomplete reports for February indicate that no let-down has occurred.

A high spot in the early February results was the exceptional success of the Lincoln's Birthday promotions. Apparel and home furnishings departments were very active, and there appeared to be a decided interest in better-grade merchandise. Reorders of February promotional merchandise were said to be heavy by the middle of the month. Despite the lateness of Easter this year, Spring goods were already moving in good volume. Some cities reported that volume was somewhat below expectations in view of the large increase in industrial employment and payrolls, but merchants in most centers were well satisfied with the year's retail volume to date.

January sales held up quite well after the exceptionally heavy Christmas volume. Winter merchandise was cleared quickly; snow and low temperatures stimulated interest in seasonal items. Even on unpleasant shopping days, sales were buoyant. The openings of the Midwinter promotions on home furnishings resulted in a good volume of sales, and Spring apparel lines were well received. Automobile sales were reported unprecedentedly high for the season.

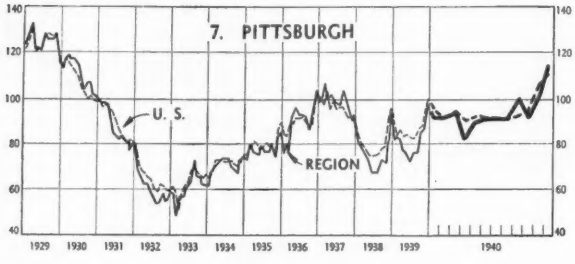
During January and the first half of February there was a noticeable broadening of increases in trade volume over a year ago for almost all parts of the country. The U. S. barometer recorded a gain of 14 per cent, as against a gain of only 10 per cent in December. Regional increases better than those for the entire country were chiefly in the South, Middle West, and Southwest.

Barometers compiled this month on the basis of data for individual regions indicated that December increases in



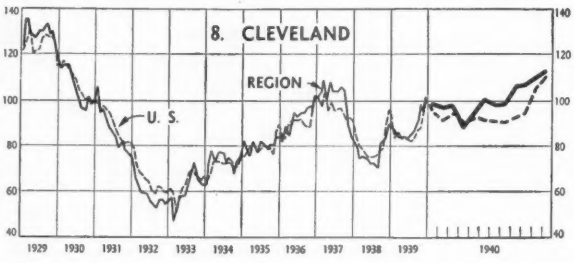
REGION 6: DEC., 106.3 NOV., 101.4* DEC. 1939, 93.6*

DECEMBER—Percentage department store sales increases over previous December: Trenton 5, Philadelphia 8, Scranton 1, Wilkes-Barre 0, Harrisburg 11, Wilmington 6. JANUARY—Percentage retail trade changes from previous January: Trenton–Williamsport–Lancaster–York +10, Allentown —3, Philadelphia +8, Scranton–Harrisburg +5, Wilkes-Barre–Wilmington +3. Wholesale trade in Philadelphia 15% above last year. Defense orders continue to flow into this section. Men's clothing manufacturing active. Coal sales 5 to 8% above January 1940. Collections vary. FEBRUARY—Retail sales about 15% ahead of last February. Wholesale trade brisk. Industry very active, particularly on defense orders. *Revised.



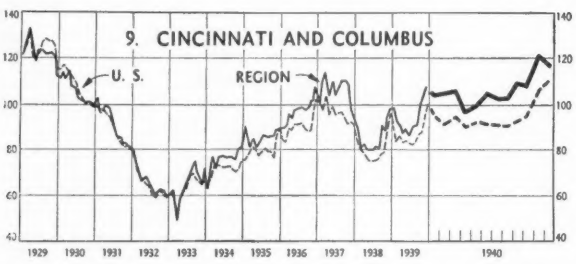
REGION 7: DEC., 115.2 NOV., 103.7 DEC. 1939, 100.0

DECEMBER—Percentage department store sales changes from previous December: Erie +9, Pittsburgh +7, Wheeling —4, West Virginia State +4. JANUARY—Percentage retail trade increases over previous January: Erie 10, Pittsburgh 11, Youngstown 7, Huntington 5, Charleston 20. Wholesale trade increases: Erie 12, Pittsburgh 13, Charleston 25. Payrolls and production steady to above last year and last month. Pittsburgh steel rate at 98% of capacity. Coal output 15% ahead of 1940. Large Government funds for plant expansion. Youngstown payrolls up 30% from last year. Collections fair to good. FEBRUARY—Construction activity brisk. Retail sales 5 to 8% above a year ago.



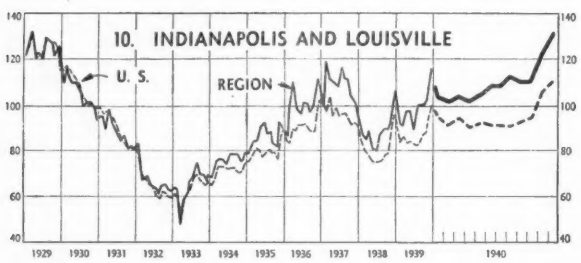
REGION 8: DEC., 113.4 NOV., 110.1 DEC. 1939, 101.6

DECEMBER—Percentage department store sales increases from previous December: Cleveland 6, Akron 8, Toledo 6. JANUARY—Percentage retail trade increases from previous January: Cleveland 15, Akron 18, Canton up, Toledo 12, Lima 0. Wholesale trade increases: Cleveland 20, Akron 8, Toledo 5. Payrolls and production above last year and last month. Machine tool output at capacity; plant expansion continues. Steel output near capacity; orders exceed shipments. Glass and automotive production ahead of last year. Employment generally well ahead of 1940, best in 11 years in Cleveland. Collections generally good. FEBRUARY—Retail sales up 10 to 15% from last year. Construction very active.



REGION 9: DEC., 116.8 NOV., 121.5 DEC. 1939, 108.1

DECEMBER—Percentage department store sales increases from previous December: Cincinnati 4, Columbus 6. JANUARY—Percentage retail trade changes from previous January: Cincinnati +10, Dayton +16, Springfield +20, Columbus +2, Zanesville —6, Lexington +1. Wholesale trade increases: Cincinnati 5, Columbus 10. Tobacco prices below last year; dairy and poultry prices up in month. Payrolls and production steady to better than last year and last month. Pottery output increased. Machine tools and other lines allied with defense speeding up output. Building especially active. Collections generally fair. FEBRUARY—Plant expansion progressing. Retail volume 10% ahead of last year.



REGION 10: DEC., 131.8 NOV., 123.9 DEC. 1939, 115.8

DECEMBER—Percentage department store sales increases from previous December: Louisville 13, Indianapolis 8, Fort Wayne 5. JANUARY—Percentage retail trade increases from previous January: Louisville 17, Evansville 8, Indianapolis 12, Terre Haute–Fort Wayne 5. Wholesale trade increases: Louisville–Indianapolis 15. Tobacco prices slightly below 1940; livestock prices, especially hogs, up substantially in month. Payrolls and production above last year, steady to above last month. Defense industries very active. Furniture output at high level. Employment increased. Collections steady to better than in 1940. FEBRUARY—Retail sales 15% ahead of last year, wholesale up 10%. Industry continues active.

REGION 11: DEC., 110.9 NOV., 101.3 DEC. 1939, 105.8

DECEMBER—Percentage department store sales increases from previous December: Chicago 4, Peoria 3. JANUARY—Percentage retail trade increases from previous January: Chicago 4, Peoria 5, South Bend 9. Chicago wholesale trade up 3%. Ample moisture for Spring plowing. Payrolls and production above last year, steady to above last month. Steel mills, tractor plants and allied lines operating at capacity levels. Large defense contracts awarded. Aircraft and other plant expansion under way. Employment sharply higher than a year ago. Collections steady to improved over last January. FEBRUARY—Industry continues very active. Retail sales gains over last year widening.

consumer buying were better-than-seasonal in twenty-one of twenty-nine regions. The eight regions in which the seasonally adjusted barometer declined from November to December were Albany and Syracuse, Cincinnati and Columbus, Detroit, Minneapolis and St. Paul, Florida, Salt Lake City, San Francisco, and Los Angeles.

Increases of more than 15 per cent over a year ago were registered in four regions: Pittsburgh, Detroit, North and South Carolina, and Florida. Ten other regions had gains of 10 per cent or more: New England, Northern New Jersey, Philadelphia, Cleveland, Indianapolis and Louisville, Milwaukee, Maryland and Virginia, Atlanta and Birmingham, Memphis, and Portland and Seattle. Only two regions—Iowa and Nebraska, and New Orleans—registered slight declines from a year ago, and even the larger drop did not exceed 1.1 per cent.

For December only four regions had an index below the 1928-1932 average (*i.e.*, less than 100). These were New England, New York City, Buffalo and Rochester, and Iowa and Nebraska.

(Charts and trade reports for each region begin on page 26)

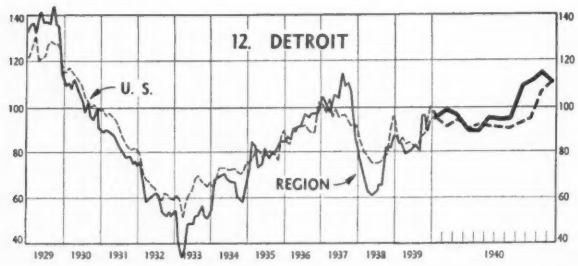
THE MAP AND CHART compare the December, 1940, indexes with those for the same month a year ago. The column at the extreme right of the chart indicates the relative importance of the regions: the figures are percentages of national retail trade from the 1935 Census of Business.

THE INDEXES for the regions are charted, with U. S., from 1929, on pages 26-34. They are composites based on bank debits (Federal Reserve Board), department store sales (Federal Reserve Board), new car registrations (R. L. Polk & Company), and life insurance sales (Life Insurance Sales Research Bureau). In regions 2, 3, 4, 5, and 14, wholesale sales (Department of Commerce), and in region 2, advertising linage (*Editor and Publisher*), which were found to make those indexes more accurate, are included. In region 15, department store sales have been omitted. Each index is separately adjusted for seasonal variation and for the number of business days in each month. All are comparable. The monthly average for the five years 1928-1932 equals 100. The preliminary figure for the United States is computed one month before regional figures are available.

THE PARAGRAPHS printed opposite the 29 regional charts quote figures for December based on samples of department and retail stores reporting to Federal Reserve banks; for January and for the first half of February based on opinions and comments of business men in various lines of trade, gathered and weighed by the local DUN & BRADSTREET offices.

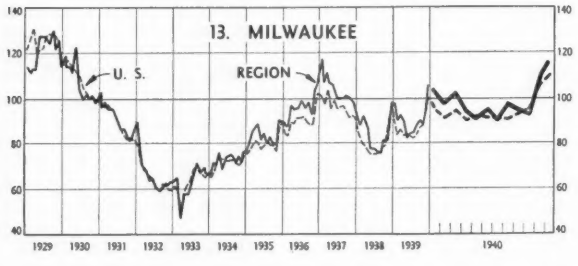
REGIONAL TRADE BAROMETERS

Region	Dec. 1940 Regional Index	Dec. 1940 Compared with Dec. 1939 %	Retail 1935 Sales %
U. S.	110.5	+10.0	100.0
1. NEW ENGLAND	98.1	+10.3	7.8
2. NEW YORK CITY	87.7	+ 7.1	10.3
3. ALBANY AND SYRACUSE	105.3	+ 8.8	2.5
4. BUFFALO AND ROCHESTER	95.1	+ 8.3	1.9
5. NORTHERN NEW JERSEY	100.8	+13.3	2.9
6. PHILADELPHIA	106.3	+13.6	6.2
7. PITTSBURGH	115.2	+15.2	3.7
8. CLEVELAND	113.4	+11.6	2.9
9. CINCINNATI AND COLUMBUS	116.8	+ 8.0	3.1
10. INDIANAPOLIS AND LOUISVILLE	131.8	+13.8	2.6
11. CHICAGO	110.9	+ 4.8	6.4
12. DETROIT	111.5	+18.7	4.0
13. MILWAUKEE	116.0	+10.0	2.2
14. MINNEAPOLIS AND ST. PAUL	107.5	+ 4.7	4.5
15. IOWA AND NEBRASKA	89.4	— 0.4	3.0
16. ST. LOUIS	108.2	+ 9.4	2.5
17. KANSAS CITY	109.8	+ 5.6	3.6
18. MARYLAND AND VIRGINIA	131.9	+13.7	3.8
19. NORTH AND SOUTH CAROLINA	140.5	+18.4	2.1
20. ATLANTA AND BIRMINGHAM	153.0	+14.0	3.5
21. FLORIDA	156.4	+20.3	1.3
22. MEMPHIS	128.9	+10.2	1.5
23. NEW ORLEANS	120.8	— 1.1	1.0
24. TEXAS	130.6	+ 4.5	4.5
25. DENVER	115.0	+ 2.2	1.3
26. SALT LAKE CITY	106.0	+ 6.4	.8
27. PORTLAND AND SEATTLE	111.3	+13.2	2.7
28. SAN FRANCISCO	107.3	+ 7.2	3.4
29. LOS ANGELES	107.0	+ 8.9	3.9



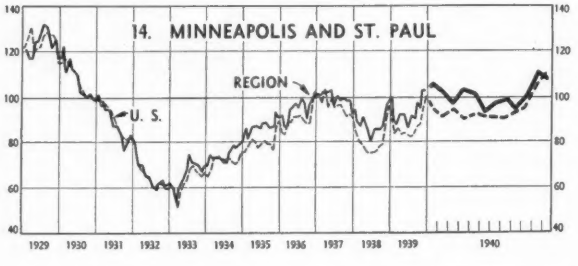
REGION 12: DEC., 111.5 NOV., 115.1 DEC. 1939, 93.9

DECEMBER—Percentage department store sales increases from previous December: Detroit 11, Grand Rapids 1, Flint 11, Lansing 10. JANUARY—Percentage retail trade increases over previous January: Detroit 8, Grand Rapids 11, Saginaw 10. Wholesale trade increases: Detroit 5, Grand Rapids 10. Payrolls and production above last year and last month. Auto output set new record for month. Metal trades operating at capacity. Furniture buying 10% above last year. Employment much better than a year ago. Detroit building very active; over $27,000,000 awarded for aircraft factory expansion. Collections fair to good. FEBRUARY—Retail sales about 8% above 1940. Industry very active.



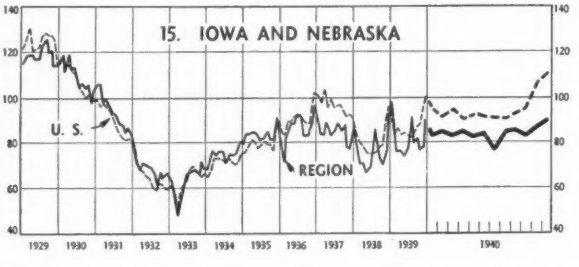
REGION 13: DEC., 116.0 NOV., 111.2* DEC. 1939, 105.5

DECEMBER—Milwaukee department store sales up 8% from previous December. JANUARY—Percentage retail trade increases from previous January: Milwaukee–Green Bay 8. Wholesale trade increases: Milwaukee 5, Green Bay 12. Jobbers of plumbing, hardware, electrical supplies, household appliances and floor coverings report outstanding gains. Payrolls and production above last year; above last month in Milwaukee, steady in Green Bay. Machine tool industry and foundries working at capacity levels. Milwaukee building permit value three times that of last January. Collections better than 1940 at retail. steady in other divisions. FEBRUARY—Retail sales well above a year ago. Bank clearings up 10 to 15%. * Revised.



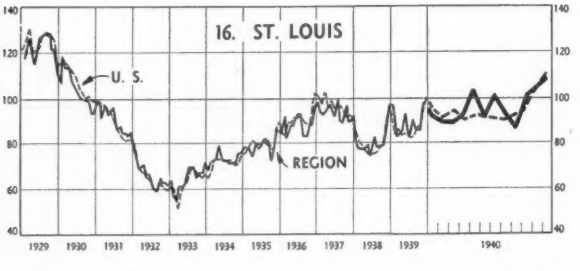
REGION 14: DEC., 107.5 NOV., 110.7 DEC. 1939, 102.7

DECEMBER—Minneapolis–St. Paul–Duluth–Superior department store sales off 1% from previous December. JANUARY—Percentage retail trade changes from previous January: Duluth +3, Minneapolis —3, St. Paul–La Crosse +6, Fargo 0, Sioux Falls–Billings–Butte +2, Great Falls +5. Wholesale trade increases: Duluth–Great Falls 5, Minneapolis 2. Payrolls and production above last year, generally above last month. Aircraft, automotive, and machine tool plants working double shifts. Copper output best in several years. Demand for flour and linseed oil products steady. Spring orders for outerwear even with last year. Collections vary. FEBRUARY—Wholesale and retail volume 8 to 10% above a year ago. Employment rising.



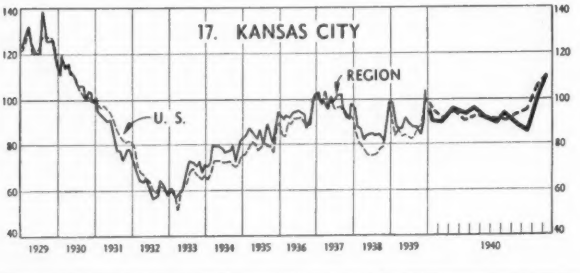
REGION 15: DEC., 89.4 NOV., 86.6 DEC. 1939, 89.8

DECEMBER—Omaha department store sales off 1% from previous December. JANUARY—Percentage retail trade increases from previous January: Burlington–Omaha 10, Cedar Rapids 0, Davenport–Dubuque–Waterloo–Lincoln 5, Des Moines 7, Sioux City 6. Wholesale trade increases: Sioux City–Des Moines–Omaha 5. Farm income increased in month; hog prices advanced. Moisture conditions favorable; Winter wheat prospects good. Sub-contracting and direct defense orders stimulating output. Dubuque sash and door mills on 50-hour week. Burlington payrolls boosted by defense construction. Omaha meat packing off sharply. Collections vary. FEBRUARY—Hog prices eased early in month. Omaha bank clearings up 15% from 1940.



REGION 16: DEC., 108.2 NOV., 105.5 DEC. 1939, 98.9

DECEMBER—Percentage department store sales changes from previous December: St. Louis +6, Springfield (Mo.) +13, Quincy —3. JANUARY—Percentage retail trade increases over previous January: St. Louis 5, Springfield (Mo.) 7, Springfield (Ill.) 0, Quincy 2. St. Louis wholesale volume 10% above a year ago, with best results in shoe and leather divisions. Payrolls and production above last year, steady to up in month. Brewers reported gains over last January of 35% in dollar volume. Inventories heavier than a year ago in durable goods, apparel, and food products lines. Army cantonments and hospital being built. FEBRUARY—Retail furniture sales 10 to 20% above 1940. Wholesaling and industry active.



REGION 17: DEC., 109.8 NOV., 100.7 DEC. 1939, 104.0

DECEMBER—Percentage department store sales increases over previous December: Kansas City–Wichita 2, Oklahoma City 6, Tulsa 5. JANUARY—Percentage retail trade changes from previous January: Kansas City +10, St. Joseph —2, Topeka +8, Wichita +2, Oklahoma City +3, Tulsa +7. Wholesale trade changes: Kansas City —5, Oklahoma City +2. Rains and snows improved outlook for Spring crops. Grain prices steady; hog and cattle prices up. Payrolls and production steady to above last year. Lumber, steel products, and aircraft accessories showing particularly good gains. Flour milling and meat packing very active. Collections vary. FEBRUARY—Retail sales 12 to 15% above last year. Bank clearings 19% above 1940.

CONSUMER BUYING IN 1940

TOTALS HIGHER IN ALL REGIONS

FROM the point of view of the total consumer buying in the country, there have been at least four years—1928, 1929, 1930, and 1937—better than 1940. But in certain sections of the U. S. A. trade volume undoubtedly reached impressive totals last year, both as compared with 1939 and as compared with previous years of "prosperity."

Which regions are considered most outstanding in 1940 depends upon whether the outlook is long-range or short-range. Probably on a broad geographical basis the Southern part of the country was in the most favorable position from both points of view during the past year.

In comparison with the five-year average of the years 1928-1932 the best long-term growth has been shown by two regions which fall within the Sixth Federal Reserve District—Florida, and Atlanta and Birmingham. In fact, most of the regions which have recorded unusually good gains in the last decade are located in the South and the Southwest *(e.g.,* Texas, North and South Carolina, Maryland and Virginia, New Orleans, and Memphis). Increases in volume over the base period have also been registered in several Middle Western areas—Indianapolis and Louisville, Cincinnati and Columbus, Cleveland, and Detroit.

Only eight regions of the total twenty-nine reported consumer buying volume in 1940 farther below the 1928-1932 average than the U. S. total, which was off about 5 per cent. These regions, however, accounted for approximately 40 per cent of the dollar volume of retail trade in the country. Compared with the five-year base period, New York City made the poorest showing with a 1940 index of 77.9, and New England was the second worst at 83.6. Other regions where the buying level was lower than it averaged during 1928-1932 include Pittsburgh, Kansas City, Philadelphia, Northern New Jersey, Iowa and Nebraska, and Buffalo and Rochester.

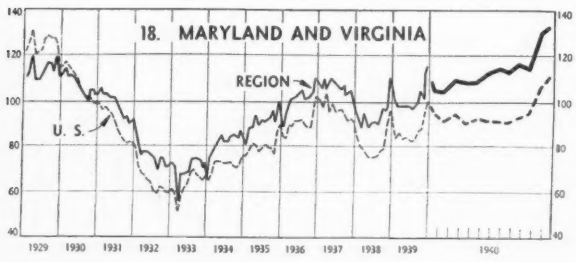
Trade volume in all regions was larger in 1940 than in 1939. Ranked according to percentage changes over 1939 Detroit takes first place, Florida second, Pittsburgh third, and Cleveland fourth. Two regions on the Atlantic seaboard, centers of shipbuilding and textile manufacturing (Maryland and Virginia, and North and South Carolina), also showed notable increases over the previous year's activity. The smallest increases were recorded for the Kansas City, Iowa and Nebraska, and Denver regions. Manufacturing sections generally showed larger increases over the year before than did other areas.

From the beginning of the defense program in June to December the increase in trade activity was largest for the Memphis region, smallest for Iowa and Nebraska; the gains were, respectively, 31 and 7 per cent. Pittsburgh and Northern New Jersey regions, which did not show up so well against long-term considerations, recorded increases in volume of 27 and 26 per cent during the last half of 1940 as their industrial plants became increasingly active. The country-wide gain for the period was 21 per cent. Other regions above this general average were: Atlanta and Birmingham, Philadelphia, New England, and Milwaukee.

ANNUAL AVERAGES, REGIONAL TRADE BAROMETERS (SEE PAGES 26, 27)

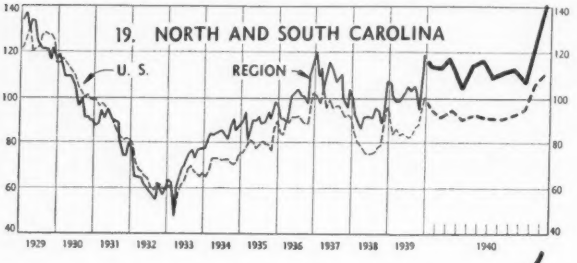
REGION:	U. S.	1	2	3	4	5	6	7	8	9	10	11	12	13	14
1928.....	115.3	113.4	115.0	113.9	116.4	107.9	115.2	115.3	120.0	116.0	116.4	117.7	121.5	115.3	114.5
1929.....	123.9	121.7	126.0	121.5	126.3	120.3	124.0	124.4	128.1	122.1	123.9	129.5	134.0	120.6	123.0
1930.....	106.8	106.0	104.5	106.2	105.4	107.3	105.9	110.5	105.8	106.0	104.9	107.0	102.3	106.9	107.2
1931.....	88.8	90.6	88.4	90.1	87.3	93.2	88.9	88.2	86.3	90.0	87.8	85.3	82.6	90.5	88.5
1932.....	64.2	67.5	65.5	67.9	64.0	70.7	65.2	60.7	59.2	65.1	66.3	59.8	59.0	65.9	65.5
1933.....	63.0	65.3	64.4	68.6	63.1	66.0	63.6	60.7	61.0	64.8	64.9	62.4	48.8	63.3	65.8
1934.....	71.5	69.7	70.0	73.4	67.8	70.1	70.6	69.9	72.4	75.3	75.4	69.6	65.0	72.5	74.6
1935.....	80.3	74.9	75.2	79.8	73.6	76.2	78.0	77.6	80.1	84.9	86.6	80.1	80.0	83.5	86.7
1936.....	90.7	84.0	82.9	88.1	82.6	83.8	86.8	90.2	92.4	97.6	99.5	93.1	92.9	96.7	95.1
1937.....	95.6	85.3	84.2	95.0	87.3	87.5	90.4	98.4	100.6	105.8	108.1	97.8	101.9	103.3	99.4
1938.....	80.7	72.4	70.4	81.3	72.2	73.0	74.0	75.8	78.4	86.7	90.7	80.9	73.0	85.5	88.7
1939.....	87.8	78.6	74.4	88.7	78.0	78.8	82.2	83.3	89.8	96.2	100.3	88.5	86.5	91.0	94.3
1940.....	95.3	83.6	77.9	95.7	83.7	86.7	90.4	94.8	101.2	106.8	110.9	95.4	100.8	99.0	100.9

REGION:	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29
1928.....	110.0	116.8	116.7	105.8	124.0	116.3	122.5	123.3	120.5	117.7	112.8	117.6	116.9	115.4	113.9
1929.....	118.2	122.2	126.3	113.2	125.6	125.3	120.7	131.3	122.5	127.1	121.4	126.6	127.2	118.3	125.7
1930.....	109.5	104.3	108.3	107.3	101.9	105.3	108.4	102.9	103.4	105.3	106.4	107.5	100.5	108.0	108.1
1931.....	93.5	89.9	84.5	97.3	86.3	87.4	86.4	79.5	85.9	84.6	90.9	86.1	86.1	90.2	88.1
1932.....	68.3	66.5	63.4	75.8	61.4	65.0	63.2	61.2	66.6	64.3	67.5	60.7	59.0	67.0	63.5
1933.....	63.5	64.2	66.2	70.0	69.3	67.1	64.7	62.3	65.9	66.9	68.1	60.4	56.2	65.2	61.6
1934.....	74.9	72.3	77.1	81.2	84.7	82.4	82.0	75.4	77.6	80.6	82.7	72.9	66.7	71.8	66.5
1935.....	83.0	79.3	85.4	92.0	92.0	88.6	92.3	80.8	82.3	90.1	92.9	83.4	77.6	84.9	80.5
1936.....	86.5	87.8	92.9	101.9	99.6	100.2	106.6	94.5	96.9	104.1	106.6	94.1	93.1	95.6	94.4
1937.....	84.0	93.9	98.8	106.6	107.7	110.3	115.8	96.4	99.7	113.5	111.7	101.6	96.6	98.7	99.1
1938.....	76.1	82.1	86.4	95.5	94.2	100.0	103.8	86.0	95.2	105.0	96.9	86.1	80.3	84.8	85.8
1939.....	81.5	89.6	90.0	103.2	104.3	115.0	119.1	99.8	102.6	110.5	102.0	93.4	88.3	89.9	88.8
1940.....	83.9	96.5	93.9	114.9	116.1	127.2	136.7	107.4	107.7	117.4	104.3	100.1	98.1	95.6	95.4



REGION 18: DEC., 131.9 NOV., 129.6 DEC. 1939, 116.0

DECEMBER—Percentage department store sales increases over previous December: Baltimore 8, Washington 12, Richmond 6, Virginia State 10. JANUARY—Percentage retail trade increases over previous January: Baltimore 10, Washington 15, Norfolk 20, Richmond 3, Lynchburg 7, Roanoke 6, Bristol 5. Wholesale trade increases: Baltimore 5, Norfolk 15, Richmond 2. Open weather favorable for Winter truck crops. Livestock in good condition and feed supplies ample. Payrolls and production steady to above last year, steady to up in month. Cotton and rayon production at high levels. Output of cigarettes and other tobacco products well above 1940. Defense industries active. FEBRUARY—Employment and payroll expansion benefiting business.

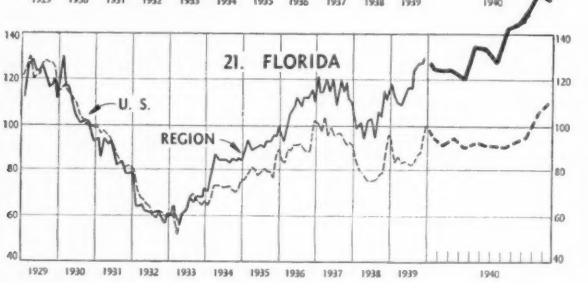


REGION 19: DEC., 140.5 NOV., 122.2 DEC. 1939, 118.7

DECEMBER—Percentage department store sales increases from previous December: North Carolina 12, South Carolina 14. JANUARY—Percentage retail trade increases over previous January: Asheville 3, Winston-Salem 4, Charlotte 7, Raleigh 5, Wilmington 2, Charleston–Columbia 20, Greenville 23. Wholesale trade increases: Wilmington 2, Charleston 0, Winston-Salem 14. Early Spring crops in good condition. Payrolls and production steady to above last year and last month. Defense program stimulating textile and building industries. Charleston Navy Yard operating 24 hours a day; housing speeded for influx of workers. Collections fair to good. FEBRUARY—Some textile mills starting 6-day week. Retail trade active.

REGION 20: DEC., 153.0 NOV., 142.0 DEC. 1939, 134.2

DECEMBER—Percentage department store sales increases over previous December: Atlanta 11, Macon 7, Birmingham 10, Montgomery 6, Chattanooga 5, Nashville 9. JANUARY—Percentage retail trade increases over previous January: Atlanta 9, Augusta–Nasvhille 5, Columbus 25, Macon–Chattanooga 12, Savannah–Mobile 10, Birmingham 15, Knoxville 11, Montgomery 6. Wholesale trade increases: Atlanta 7, Birmingham 5, Nashville 6. Payrolls and production substantially ahead of last year. Textile mills working full time. Lumber and building industries steady. About 3,400 men out in Mobile shipbuilding strike. Collections vary. FEBRUARY—Mobile strike settled. Retail trade well above 1940 in most centers.



REGION 21: DEC., 156.4 NOV., 159.0 DEC. 1939, 130.0

DECEMBER—Jacksonville department store sales 23% ahead of volume for corresponding month last year. JANUARY—Retail trade increases over previous January: Jacksonville 15, Miami 8, Tampa 20. Wholesale trade increases: Jacksonville 10, Tampa 15. Citrus shipments good. Inclement weather damaged truck and berry crops, cut vegetable shipments. Produce prices advanced in month. Payrolls and production steady to above last year, steady to below last month. Cigar industry active. Sawmill operations continue strong, prices somewhat weakened. Canning activity normal. Tourist traffic at Miami Beach slightly below a year ago. FEBRUARY—Retail trade better than 1940. Jacksonville bank clearings up 30% from last year.

REGION 22: DEC., 128.9 NOV., 120.6 DEC. 1939, 117.0

DECEMBER—Percentage department store sales increases over previous December: Memphis 8, Fort Smith 5, Little Rock 12. JANUARY—Percentage retail trade increases over previous January: Memphis 10, Fort Smith 5, Little Rock 12. Memphis wholesale trade 10% above previous January level. Spinach yield good; market demand favorable. Payrolls and production above a year ago, steady with previous month. Furniture manufacturers receiving heavy volume of orders. Defense industries absorbing large amount of labor. Collections generally steady with a year ago and with previous month. FEBRUARY—Retail sales of household goods and furniture very good. Cotton selling rather light.

REGION 23: DEC., 120.8 NOV., 114.6 DEC. 1939, 122.1

DECEMBER—Percentage department store sales increases over previous December: New Orleans 2, Jackson 17. JANUARY—No particular change in retail trade in New Orleans and Jackson in comparison with previous January level. Wholesale volume up 5% in New Orleans from corresponding month last year. Sugar cane planted; strawberries about ready for harvest. Payrolls and production steady to above last year, steady with December. Labor troubles delaying defense work settled. Large cantonments and airfields being constructed at several points. Oil well development proceeding at a good pace. Collections fair. FEBRUARY—Demand for lumber, steel, and building materials greatly increased. Manufacturing of clothing active.

ATLAS

THE TREND OF BUSINESS

PRODUCTION . . . PRICES . . . TRADE . . . FINANCE

Scattered gains in production are reported but these are more moderate, as industry finds it increasingly difficult to improve on the record-breaking pace of recent months. To the pressure of defense needs has been added an extensive forward buying effort in non-defense goods. Retail sales show an accelerated upward movement. Timorous trading in financial markets contrasts sharply with the boom psychology in business.

AS business continues to better its own all-time records there is increasing evidence of a broadening of the expansion. Stimulated by rising payrolls and by fears of delivery shortages, purchasing has accelerated sharply in non-defense trades.

Retailers' reports indicate that even among consumers anticipatory buying has gained significant volume in some lines: automobiles and home furnishings have been among the first to feel the increased pressure of demand. Retail trade comparisons with a year ago show a spectacular expansion in sales during January and February. Dollar trade is the best for this period of the year since the 1929-1930 boom and in unit volume the largest on record.

Rather than diminishing after the strong buying wave of last Fall, the rate of forward ordering has actually increased in some primary markets. Industrial consumers of heavy goods are so forward-looking that sellers describe hand-to-mouth purchasing as the exception rather than the rule. Well over half of the purchasing agents in the Detroit area are reported to be buying ahead six months or more. It is not unusual for retailers, who a few months ago were refusing to venture orders for more than 60 days, to attempt to fill some merchandise needs through the year-end.

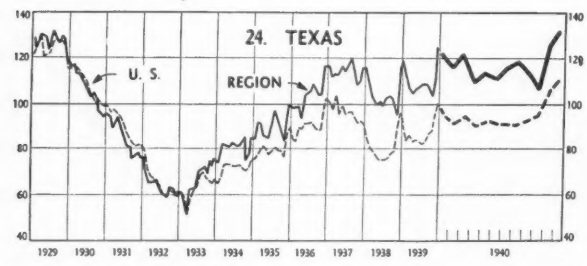
Fears of inventory over-expansion are noticeably subordinate to fears of shortages, slow deliveries, and price rises. While stocks have risen steadily under the stress of protective purchasing, there is an evident tendency generally to regard the expansion as justified by heavier working capital requirements or by the greater supply uncertainties. Available statistical information indicates that manufacturers' stocks increased by close to $1,250,000,000 during 1940 and now exceed the peak proportions of the 1937 inventory boom. Department store holdings—which may or may not be typical of all retail trade—still remain well under the 1937 high.

Although defense-allied industries continue to push operations to capacity limits, output has not yet caught up with incoming business. The double-edged pressure of war production and increased civilian demand has begun to reflect in a pinch in certain strategic materials and in an official tightening of priority controls. The first mandatory priorities to be announced (February 24) cover aluminum and machine tools.

The contrast of the business rush and financial market lethargy has continued to be marked. Stock trading on the New York Exchange was the lightest for February in twenty-six years. After a fairly active January, mainly in refunding, corporate financing has diminished in volume. Bright spot of the banking picture is the continued sharp rise in business loans, which already exceed the 1937 high mark by $350,000,000.

Industrial activity: The shift to a war economy is nowhere more evident than in the latest records of industrial activity. Contracts awarded under the National Defense program already exceed $12,000,000,000. Actual expenditures by the Army and Navy during January amounted to $561,000,000 and in the first seventeen days of February to $347,000,000.

With the advance of the FRB adjusted index of durable good manufactures to a new peak of 169 in January (1935-1939=100), total industrial production, seasonally corrected,

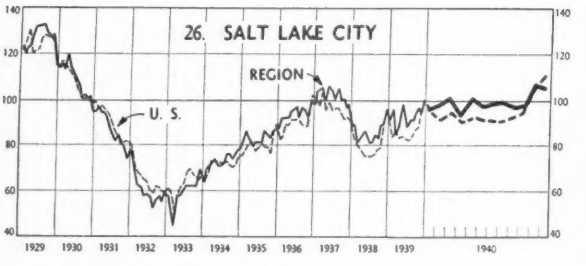


REGION 24: DEC., 130.6 NOV., 125.9 DEC. 1939, 125.0

DECEMBER--Percentage department store sales increases over previous December: Dallas–Houston 3, Fort Worth 7, San Antonio 9. JANUARY—Percentage retail trade increases over previous January: Dallas–Amarillo–Lubbock–Galveston–Waco–San Antonio–Shreveport 5, Fort Worth 11, Wichita Falls–El Paso 10, Houston 3, Austin 0. Wholesale trade increases: Dallas 10, Houston 2, San Antonio 12, Fort Smith 20, Shreveport 5. Valley citrus crop good; prices rather low. Winter wheat and grazing lands in generally satisfactory condition. Payrolls and production above last year. Building industry very active on private and Government work. Oil industry quiet. FEBRUARY—Retail volume 3 to 7% above a year ago.

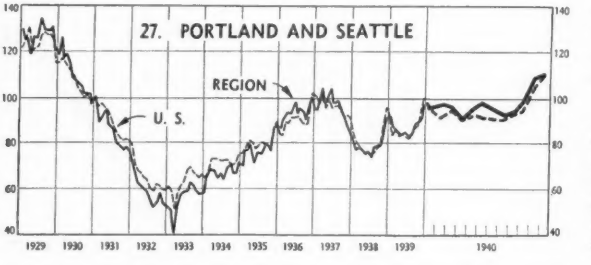
REGION 25: DEC., 115.0 NOV., 111.4 DEC. 1939, 112.5

DECEMBER—Denver department store sales 1% above level of corresponding month in 1939. JANUARY—Percentage retail trade changes from previous January: Denver +13, Albuquerque 0. Wholesale volume in Denver 6 to 8% ahead of last January; grocers, meat packers, and dry goods houses particularly active. Wet snows very beneficial to dry land farmers; range conditions also improved. Payrolls and production above a year ago, steady to up in comparison with previous month. Steel mills and foundries operating at a good rate. Building supply stocks depleted because of Government demand for materials. Heavy machinery orders delayed due to difficulty in obtaining steel. FEBRUARY—Department store sales about 10% above last year.



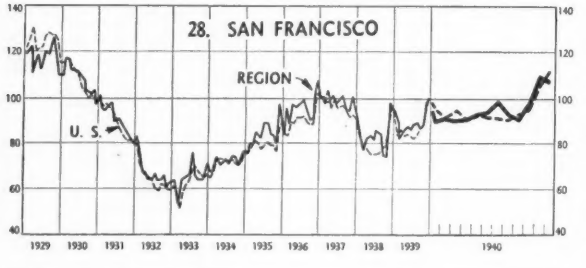
REGION 26: DEC., 106.0 NOV., 107.4 DEC. 1939, 99.6

DECEMBER—Salt Lake City department store sales up 4% from previous December level. JANUARY—Salt Lake City retail trade 17% above last January, down 50% from December holiday volume. Wholesale trade 10% ahead of a year ago with lumber, building materials, and electrical supply lines registering greatest increases. Payrolls and employment about 8% above last year, down 5% from December. Production about on a par with last year, increased from the December level. Mining and smelting operations improved in the month. Collections steady with last year, poorer than last month. FEBRUARY—Salt Lake City department store sales 10 to 15% above 1940; bank clearings up 20% from a year ago.



REGION 27: DEC., 111.3 NOV., 109.5 DEC. 1939, 98.3

DECEMBER—Percentage department store sales increases over previous December: Seattle 8, Tacoma 16, Spokane–Portland 0. JANUARY—Percentage retail trade increases over previous January: Seattle 10, Spokane 0, Portland 20. Wholesale trade in both Seattle and Portland 10% ahead of same month a year ago. Produce and dairy prices steady. Wheat outlook favorable. Payrolls and production above a year ago, steady to up in month. Lumber industry has large backlog of unfilled orders. Aircraft production very active. Employment gaining in all mechanical lines. Shipyard started at Tacoma about a year ago now employing 2,000. Collections fair to good. FEBRUARY —Department store sales more than 20% above last year. Machine tools difficult to obtain.



REGION 28: DEC., 107.3 NOV., 110.0 DEC. 1939, 100.1

DECEMBER—Percentage department store sales changes from previous December: San Francisco +4, Oakland —3. JANUARY—Percentage retail trade increases over previous January: San Francisco 8, Oakland 10, Sacramento 3, Fresno 2. San Francisco wholesale trade 12% above a year ago. Heavy snowfall in mountains assures ample water for irrigation next Summer. Winter grain getting a good start. Payrolls and production steady to above last year and last month. Defense industries active. Building operations increased after seasonal lull. Wine industry forging ahead. Collections fair to good in comparison with 1940. FEBRUARY—Retail sales 8 to 18% above last February. Wholesale volume up 10% or more. Shipbuilding contracts total more than $602,000,000.

REGION 29: DEC., 107.0 NOV., 108.9 DEC. 1939, 98.3

DECEMBER—Los Angeles department store sales 3% above previous December level. JANUARY—Percentage retail trade increases over previous January: Los Angeles 13, San Diego 25, Phœnix 0. Los Angeles wholesale volume 13% above the corresponding month of 1940. Citrus growers had best January in years; both volume and prices above normal. Livestock demand also strong, range conditions good. Payrolls and production generally above last year. Arizona mining steady with a year ago. Shipbuilding contracts expanded sharply in January. Aircraft and parts production increasing. Large housing shortage in San Diego. Collections better than a year ago. FEBRUARY—Retail trade good. Wholesale orders 3% above 1940 at same time.

has reached a level of 15 per cent above the peak of 1937 and 22 per cent above the 1929 high.

Many key industries reported January activity in excess of every previous month on record. Domestic copper production was put at 119,736 tons, an increase of 7,065 over the December peak. Steel production amounting to 6,943,084 net tons was also moderately above the preceding month's high. Crude rubber consumption at 64,225 long tons compared with the all-time October 1939 record of 57,155. Raw cotton consumption, totalling 843,274 bales, contrasted favorably with the 776,942 established in March 1937.

In addition to the all-time high chalked up in manufacturers' production, January was marked by a new record peak in incoming orders, shipments, and inventories. A seasonally-adjusted index of inventories (NICB) at the end of January stood 14 per cent higher than its level for a year ago and 28 per cent above September 1939 when inventory accumulation began. In relation to current shipments, however, inventories showed the lowest ratio since 1929.

Consumer income: Factory employment declined by a smaller-than-seasonal-amount in January and total non-agricultural employment was estimated at 36,343,000 workers, more than in any January on record. Salaries and wages totalled $4,300,000,000 in the month, an increase of 11 per cent over last year (U. S. Department of Commerce), and cash farm income including Government payments was $750,000,000, up 1 per cent over January 1940 (U. S. Department of Agriculture). All income payments in the month, according to the Commerce Department, amounted to $6,500,000,000, or 7 per cent over the 1940 level.

Income expansion still far outdistanced higher living costs, leaving consumers with a substantial net gain in purchasing power. With the increase in food prices relatively greatest, the cost of living index (NICB) was less than 2 per cent above last January.

Industrial Production

Federal Reserve Board Adjusted Index
1935-1939 = 100

	1938	1939	1940	1941
January	86	102	122	139
February	84	101	116	
March	84	101	113	
April	82	97	11[illegible]	
May	80	97	[illegible]	
June	81	102	121	
July	86	10[illegible]	121	
August	90	[illegible]	121	
September	92	113	125	
October	95	121	129	
November	[illegible]	124	132	
December	101	126	138	

Factory Payrolls

*U.S.B.L.S. Index**
1923-1925 = 100

	1938	1939	1940	1941
January	75.4	84.7	99.8	119.8
February	77.7	87.1	99.3	
March	77.8	88.3	99.8	
April	75.2	86.8	97.[illegible]	
May	73.6	86.3	97.[illegible]	
June	71.6	87.9	[illegible]5	
July	71.7	85.[illegible]	98.2	
August	77.9	[illegible]	105.5	
September	82.3	95.4	111.6	
October	[illegible]	103.2	116.2	
November	85.3	103.2	116.5	
December	88.1	105.4	122.8	

* Revised January 1941.

Department Store Sales

Federal Reserve Board Adjusted Index
1923-1925 = 100

	1938	1939	1940	1941
January	90	88	92	101
February	88	88	90	
March	86	88	89	
April	83	88	89	
May	80	87	89	
June	82	86	91	
July	83	87	[illegible]	
August	[illegible]3	[illegible]	98	
September	[illegible]	90	97	
October	[illegible]	92	94	
November	87	93	100	
December	88	95	101	

Wholesale Commodity Prices

U.S.B.L.S. Index—1926 = 100

Week	Nov. 1940	Dec. 1940	Jan. 1941	Feb. 1941
I	78.5	79.8	80.2	80.6
II	78.8	79.7	80.2	80.5
III	[illegible]	[illegible]	80.6	80.5
IV	79.5	79.9	80.8	80.4
V	79.7			

Industrial Stock Prices

Dow-Jones Index (Weekly Average)

Week	Nov. 1940	Dec. 1940	Jan. 1941	Feb. 1941
I	133.47	130.67	131.43	125.85
II	135.94	131.90	[illegible]22	123.87
III	136.26	129.60	131.07	120.82
IV	132.93	129.19	128.65	119.27
V	130.81			

Consumer buying: Consumers' willingness to spend sent retail trade soaring above last year by a broader margin than the actual increase in purchasing power. Department store sales, registering 101 per cent of the 1923-1925 average in January, were 11 per cent greater than in the corresponding period of 1940. The DUN'S REVIEW index of consumer spending stood at 108 per cent of the 1928-1932 average, marking a gain of 14 per cent over a year ago. (See pages 26-34.)

Prices: Despite a persistent upward trend in some import commodities, the general level of wholesale prices stopped advancing in February. The USBLS composite index even showed some slight loss, a figure of 80.4 for the fourth week of the month comparing with 80.8 at the end of January, the high for the current movement. The more sensitive USBLS daily index, however, gained 4 points in the month to 123.8.

Despite some mild recovery at the end of the month, the industrial stock price average (Dow-Jones) hovered near the lowest for the past three years. The average of 122.00 for the week ending March 1 contrasted with 146.38 at that time a year ago.

Banking and finance: Commercial borrowing from banks continued to expand, a total of $5,217,000,000 being reported by member banks for the week ending February 19; at the high in 1937, loans were no more than $4,868,000,000. Corporate financing activity in January was not up to the four-year high mark of last October, but at $320,678,000 it was the greatest for any January since 1931.

Excess reserves declined from a high of $6,896,000,000 in mid-January to $6,306,000,000 in early February and in the next two weeks expanded to $6,540,000,000. Gold stock increased steadily, reaching $22,179,000,000 by February 26 but was offset by a rise in money in circulation to $8,725,000,000, which was almost to the peak of last December.

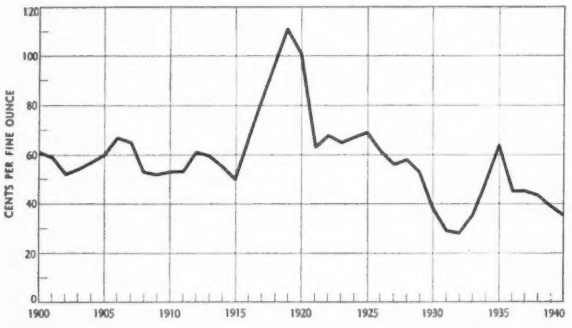
THROUGH THE STATISTICIAN'S EYES

ODD AND INTERESTING ITEMS FROM THE MONTH'S RECORD

Silver

STATISTICS pertaining to world silver production and consumption were rather incomplete for 1940, due to the war conditions in various parts of the world, but Handy & Harman estimated world production at 278,000,000 ounces, consumption at something more than 313,000,000 ounces.

Production was apportioned as follows: United States, 66,000,000 ounces; Mexico, 84,500,000 ounces; Canada, 25,000,000 ounces; South America, 32,500,000 ounces; all other countries, 70,000,000 ounces. The "all other" figure is the most doubtful, due to lack of information from some countries. Other new supplies, aside from newly mined metal, came chiefly from China. Over 11,500,000 ounces were exported by this country during the first eleven months of 1940, mostly to Burma. Other silver coin or bullion also attributed to China amounted to 20,900,000 ounces, bringing the total of supplies from that country to 32,400,000 ounces. Some silver was also released by the Indian Government and by Hongkong, and there was a continuance of Spanish coinage demonetization. In all, world supplies totalled more than 318,400,000 ounces in 1940.



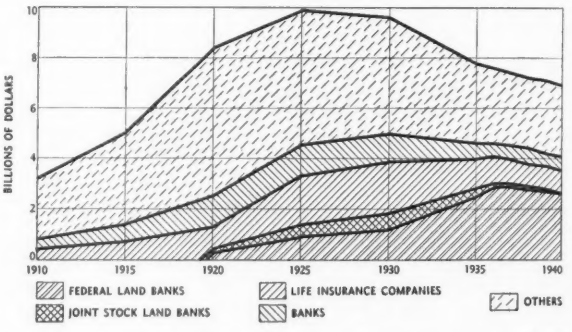
SILVER PRICES IN NEW YORK—*Yearly averages, 1900-1940—Prices of silver in New York were lower last year than for any year before or since the depression lows of 1931, 1932, and 1933.*

Farm Mortgage Debt

FARM INCOME was better in 1939 than in 1938, and farmers paid off some of their mortgage debt. The amount of debt secured by liens on farm real estate on January 1, 1940 was estimated by the U. S. Bureau of Agricultural Economics at $6,910,000,000, the smallest amount since 1919. The total was about 2 per cent lower than a year before, about two-thirds as high as the peak of $10,786,000,000 on January 1, 1923.

On a geographical basis, the most marked declines in indebtedness occurred in North Dakota, South Dakota, and Nebraska. Increases in debt were largely concentrated in New England and the East South Central region, with Mississippi showing the largest increase.

Contributing factors to the general decline in the farm mortgage debt were the increasing principal repayments, low interest rates, foreclosures, and other forced sales. The Federal Land Banks and Land Bank Commissioner were the only lender group showing an increase in foreclosures.



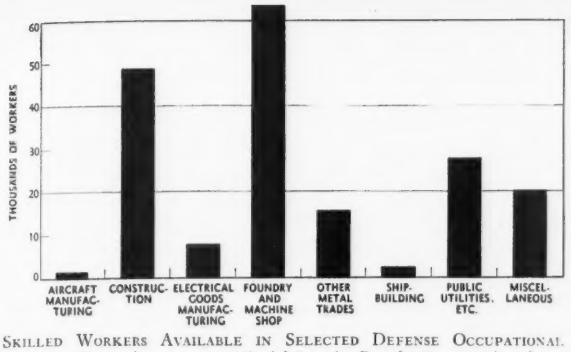
FARM MORTGAGE DEBT BY SELECTED LENDER GROUPS—*1910-1940—U. S. Bureau of Agricultural Economics—The "others" category includes the loans made by individuals, Farm Security Administration, mortgage companies, State credit agencies, and other miscellaneous lenders.*

Defense Workers Available

THE NUMBER OF WORKERS available in aircraft and shipbuilding fields increased somewhat during November but still remained small, according to the fifth of a series of monthly defense labor supply inventories conducted by the Social Security Board. A total of 185,000 workers in all were registered as skilled in 500 selected defense occupations—4 per cent less than in the preceding month. Less than 2 per cent of the total number of workers were skilled in ship or aircraft construction. About three-fifths of the total were construction, machine shop, machine tool, and foundry and forging workers.

Although the total number of registrants declined between October and November, the drop was only about one-third of that recorded between September and October. It was pointed out that this confirmed reports that many defense plants are operating at full capacity, and that further material increases in employment will come only with the addition of extra shifts, construction of new plant facilities, or completion of construction under way.

The largest single classes of workers available were automobile mechanics and machinists-millwrights-maintenance mechanics. Large numbers of workers were also



SKILLED WORKERS AVAILABLE IN SELECTED DEFENSE OCCUPATIONAL GROUPS—*November 23, 1940—Social Security Board—Construction, foundry, and machine shop workers were more numerous by far than other groups, while aircraft and shipbuilding workers were comparatively scarce.*

registered as welders in metal working and forming, molders, punch press operators, drill press operators, form builders, cement finishers, electricians, and plumbers.

Composition of the Population

INTERESTING facts about this country's population continue to emanate from the U. S. Bureau of the Census. Recently has appeared a preliminary report showing the composition of the population by age, sex, and color during the year 1940 as compared with previous decades.

That the population is gradually becoming older was confirmed by the 1940 Census figures. The median age was 21.4 years in 1890, and that level has steadily risen to 28.9 in 1940. The male population in 1940 was slightly more aged than the female on the average, although there were a few more women than men who were 65 years of age and over. White people had a median age of 29.4 years, 4.2 years higher than the non-white. The median age of white males in 1940 was 29.4 years; non-white males, 25.4 years; white females, 29.4 years; and non-white females, 25.0 years. In 1890 the median age for whites was 21.9 years, and for non-whites, 17.8 years.

The population contained a larger proportion of persons 65 years of age and over in 1940 than in 1930 (6.8 per cent as against 5.4 per cent). In 1940 there were 8,956,206 persons in this age group, compared with 6,633,805 in 1930, or an increase of 35 per cent, as against an increase of 7.2 per cent for the total population. The gradual aging of the population is explained by decreases in the birth rate, the death rate, and the number of immigrants.

If the 1940 birth and mortality rates continue, it was pointed out, the population of the United States will fail to reproduce itself in the long run by about 4 per cent per generation. If the 1930 birth and death rates had prevailed, each generation would have been about 11 per cent larger than the previous one.

TABLE 3. AGE BY COLOR AND SEX, FOR THE UNITED STATES: 1940 AND 1930

1940 data are preliminary, based on a 5 per cent cross-section of the 1940 census returns. Figures for white population in 1930 have been revised to include Mexicans who were classified as "other races" in the 1930 Census Reports.

Age and census year	All classes			White			Nonwhite		
	Total	Male	Female	Total	Male	Female	Total	Male	Female
All ages: 1940...	131,669,275	66,183,163	65,486,112	118,213,287	59,559,747	58,653,540	13,455,988	6,623,416	6,832,572
Under 5 years.....	10,597,891	5,367,997	5,229,894	9,275,170	4,711,547	4,563,623	1,322,721	656,450	666,271
5 to 9 years.....	10,725,873	5,450,738	5,275,135	9,371,252	4,776,864	4,594,388	1,354,621	673,874	680,747
10 to 13 years.....	9,373,315	4,750,124	4,623,191	8,254,458	4,194,797	4,059,661	1,118,857	555,327	563,530
14 to 19 years.....	14,764,100	7,411,372	7,352,728	13,118,309	6,609,641	6,508,668	1,645,791	801,731	844,060
20 to 24 years.....	11,561,533	5,664,502	5,897,031	10,314,914	5,084,073	5,230,841	1,246,619	580,429	666,190
25 to 44 years.....	39,743,302	19,808,976	19,934,326	35,630,957	17,831,936	17,799,021	4,112,345	1,977,040	2,135,305
45 to 64 years.....	25,947,055	13,342,337	12,604,718	23,928,448	12,287,075	11,641,373	2,018,607	1,055,262	963,345
65 years and over...	8,956,206	4,387,117	4,569,089	8,319,779	4,063,814	4,255,965	636,427	323,303	313,124
All ages: 1930*..	122,775,046	62,137,080	60,637,966	110,286,740	55,922,528	54,364,212	12,488,306	6,214,552	6,273,754
Under 5 years.....	11,444,390	5,806,174	5,638,216	10,142,169	5,158,439	4,983,730	1,302,221	647,735	654,486
5 to 9 years.....	12,607,609	6,381,108	6,226,501	11,161,663	5,662,102	5,499,561	1,445,946	719,006	726,940
10 to 13 years.....	9,622,492	4,862,291	4,760,201	8,576,411	4,339,730	4,236,681	1,046,081	522,561	523,520
14 to 19 years.....	13,934,500	6,964,311	6,970,189	12,366,792	6,207,987	6,158,805	1,567,708	756,324	811,384
20 to 24 years.....	10,870,378	5,336,815	5,533,563	9,612,669	4,746,792	4,865,877	1,257,709	590,023	667,686
25 to 44 years.....	36,152,869	18,238,285	17,914,584	32,465,070	16,438,991	16,026,079	3,687,799	1,799,294	1,888,505
45 to 64 years.....	21,414,981	11,171,069	10,243,912	19,643,392	10,202,285	9,441,107	1,771,589	968,784	802,805
65 years and over...	6,633,805	3,325,211	3,308,594	6,239,972	3,122,826	3,117,146	393,833	202,385	191,448
Percent: 1940....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Under 5 years.....	8.0	8.1	8.0	7.8	7.9	7.8	9.8	9.9	9.8
5 to 9 years.....	8.1	8.2	8.1	7.9	8.0	7.8	10.1	10.2	10.0
10 to 13 years.....	7.1	7.2	7.1	7.0	7.0	6.9	8.3	8.4	8.2
14 to 19 years.....	11.2	11.2	11.2	11.1	11.1	11.1	12.2	12.1	12.4
20 to 24 years.....	8.8	8.6	9.0	8.7	8.5	8.9	9.3	8.8	9.8
25 to 44 years.....	30.2	29.9	30.4	30.1	29.9	30.3	30.6	29.8	31.3
45 to 64 years.....	19.7	20.2	19.2	20.2	20.6	19.8	15.0	15.9	14.1
65 years and over...	6.8	6.6	7.0	7.0	6.8	7.3	4.7	4.9	4.6
Percent: 1930....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Under 5 years.....	9.3	9.3	9.3	9.2	9.2	9.2	10.4	10.4	10.4
5 to 9 years.....	10.3	10.3	10.3	10.1	10.1	10.1	11.6	11.6	11.6
10 to 13 years.....	7.8	7.8	7.9	7.8	7.8	7.8	8.4	8.4	8.3
14 to 19 years.....	11.3	11.2	11.5	11.2	11.1	11.3	12.6	12.2	12.9
20 to 24 years.....	8.9	8.6	9.1	8.7	8.5	9.0	10.1	9.5	10.6
25 to 44 years.....	29.4	29.4	29.5	29.4	29.4	29.5	29.5	29.0	30.1
45 to 64 years.....	17.4	18.0	16.9	17.8	18.2	17.4	14.2	15.6	12.3
65 years and over...	5.4	5.4	5.5	5.7	5.6	5.7	3.2	3.3	3.1

* 1930 totals include persons of unknown age.

INDUSTRIAL AND COMMERCIAL FAILURES

	Number of Failures			Current Liabilities *Thousands of dollars*			Total Liabilities *Thousands of dollars*			Dun's Insolvency Index† Unadjusted			Dun's Insolvency Index† Adjusted‡		
	1941	1940	1939	1941	1940	1939	1941	1940	1939	1941	1940	1939	1941	1940	1939
Jan.	1,124	1,237	1,567	11,888	15,279	20,790	12,535	15,805	24,860	62.2	67.1	86.0	51.8	54.6	69.9
Feb.	....	1,042	1,202	....	13,472	13,582	....	13,600	13,589	...	66.7	78.0	...	58.0	67.8
Mar.	....	1,197	1,322	....	11,681	19,002	....	12,130	19,315	...	62.6	72.6	...	61.4	71.9
Apr.	....	1,291	1,331	....	16,247	18,579	....	17,114	21,837	...	70.1	73.1	...	67.4	71.0
May	....	1,238	1,334	....	13,068	15,897	....	13,437	20,734	...	66.9	70.5	...	65.6	69.8
June	....	1,114	1,119	....	13,734	12,581	....	25,101	12,737	...	62.5	66.5	...	64.4	69.3
July	....	1,175	1,153	....	16,213	14,999	....	17,756	23,634	...	63.0	63.0	...	70.8	70.8
Aug.	....	1,128	1,126	....	12,997	12,637	....	13,223	13,092	...	60.6	61.4	...	71.3	72.2
Sept.	....	976	1,043	....	11,397	10,545	....	15,473	11,729	...	54.3	59.0	...	64.6	70.2
Oct.	....	1,111	1,234	....	12,715	17,464	....	14,236	18,119	...	61.7	67.0	...	67.1	72.8
Nov.	....	1,024	1,184	....	16,572	13,201	....	17,987	14,874	...	61.9	72.6	...	59.5	69.8
Dec.	....	1,086	1,153	....	13,309	13,243	....	14,480	14,934	...	58.0	65.0	...	57.4	64.3
Total	....	13,619	14,768	....	166,684	182,520	....	190,342	209,454	...	63.0	69.6	...	...	...

† Apparent annual failures per 10,000 enterprises. ‡ For seasonal variation.

ANALYZING *the* RECORD *of* INDUSTRIAL *and* COMMERCIAL FAILURES

JANUARY FAILURE INCREASE MUCH BELOW USUAL SEASONAL RISE

THE sharp increase in the number of industrial and commercial failures which is usual at the beginning of each year did not occur in January 1941. A total of only 1,124 cases was reported, compared with 1,086 in December, an increase of but 3 per cent. A normal seasonal increase would be 20 per cent or more. The total was also well below the 1,237 failures in January 1940. Current liabilities amounted to $11,888,000, compared with $13,309,000 in December, and $15,279,000 a year ago.

The insolvency index, which adjusts failure figures for the number of working days in the month and relates failures to the number of concerns in business, registered 62.2 in January, as against 58.0 in December and 67.1 in January 1940. When adjusted for seasonal variation the index dropped 5.6 points, or from 57.4 in December to 51.8 and fell 2.8 points below the 54.6 in January 1940.

A BUSINESS FAILURE, as defined for this record, occurs when a commercial or industrial enterprise is involved in a court proceeding or a voluntary action which is likely to end in loss to creditors. Failures in this sense are but a small part of total discontinuances from business.

From a peak in 1932 failures declined sharply for five years, reaching a floor in 1937. On a seasonally adjusted basis, January in 1937 was the lowest point, the bottom since the all-time low in January 1920. Failures tended upward again in 1938 and 1939, but broke sharply at the end of 1939. For January 1940 the adjusted index fell to a low point, but failed by some 10 to 15 per cent to reach the January 1937 low. The present January index, while 5 per cent under that of last January is probably still 5 or 6 per cent above the 1937 low. An exact comparison is made impossible by a new series of figures starting in 1939 which runs considerably above the old series.

End-of-the-year settlements are usually followed by sharp increases in January failures in all lines of business. However, in January 1941 retail trade failures alone showed an increase. Manufacturing failures were off 14 per cent and commercial service failures 10 per cent; wholesale trade dropped 7 per cent; construction 5 per cent. Retail trade failures, although rising in number from 691 to 771, or 12 per cent. did not reach their normal increase of some 25 to 30 per cent over December. Last year, when total January failures were also low, the retail increase over December amounted to only 14 per cent.

In manufacturing, only one industry, paper and printing, showed a January increase. Five lines, including chemicals, lumber, and textile products, showed decreases; and in the remain-

ing six industries there was no noticeable change.

In retailing, increases occurred in five out of the nine most important trades. In the large food group, however, no change was recorded; drug store failures were markedly down.

Compared with a year ago, current failures were lower in all groups, with manufacturing showing the greatest decline, and retail trade and commercial service the least change.

Industry Group	January 1941	January 1940	Per Cent Change
Manufacturing	161	212	—24
Wholesale Trade	95	112	—15
Retail Trade	771	800	— 4
Construction	54	69	—22
Commercial Service	43	44	— 2
Total	1,124	1,237	— 9

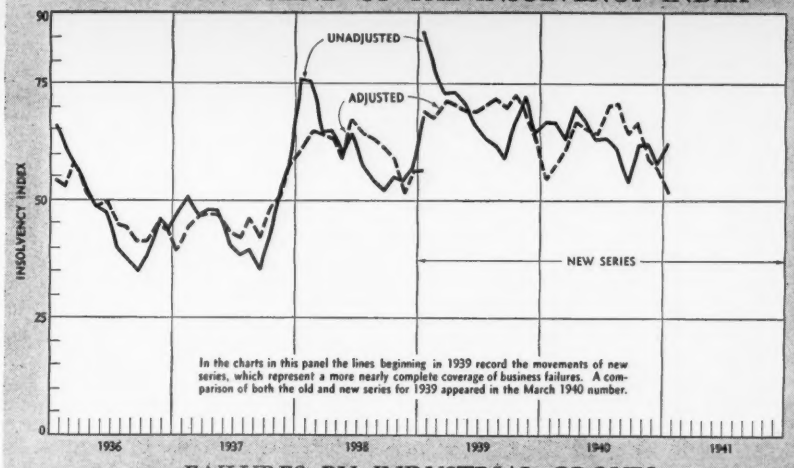
While very small failures and very large failures did show some seasonal January increase, no increases took place in the middle size groups. In fact, failures with debts of between $25,000 and $100,000 dropped from 80 in December to 69. Among the very large failures which rose from sixteen to twenty, sixteen were manufacturers, two wholesalers, and two retailers.

Size Group Liabilities	January 1941	January 1940	Per Cent Change
Under $5,000	640	532	+20
$5,000–$25,000	395	595	—34
$25,000–$100,000	69	94	—27
$100,000–$1,000,000	20	15	+33
$1,000,000 and over	..	1	..
Total	1,124	1,237	— 9

Failures, on a daily basis, approximated a normal seasonal upturn in the New York, Atlanta, Richmond, Cleveland, and Kansas City Federal Reserve districts. Slight increases, considerably under normal, occurred in the San Francisco and Boston sections, but it was principally the decreases or unchanged totals for the remaining three Middle Western sections of Chicago, St. Louis, and Minneapolis and the Philadelphia district that held the January total down.

Most of the January increase occurred in sections of the country outside the largest cities, with failures in the 25 largest cities showing little change. The cities leading in the drop

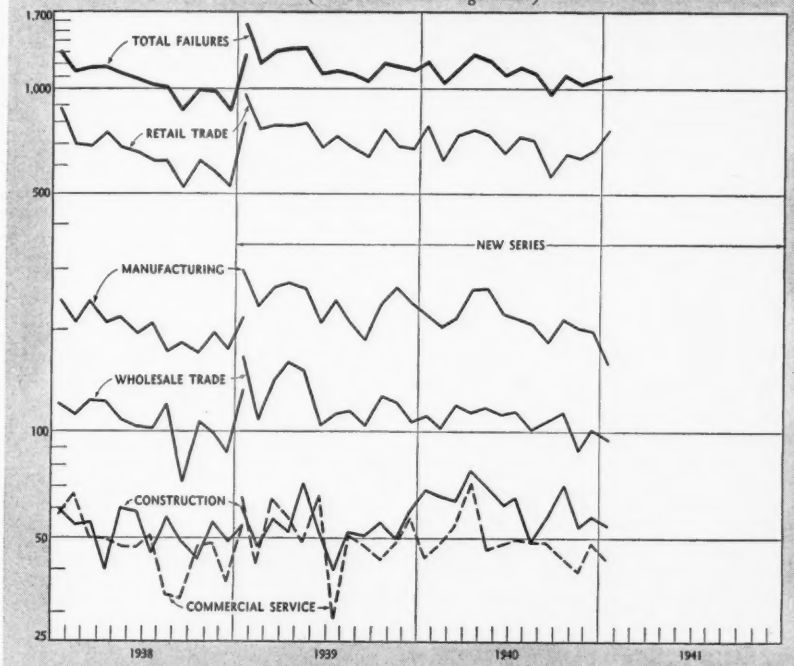
MONTHLY TREND OF THE INSOLVENCY INDEX



In the charts in this panel the lines beginning in 1939 record the movements of new series, which represent a more nearly complete coverage of business failures. A comparison of both the old and new series for 1939 appeared in the March 1940 number.

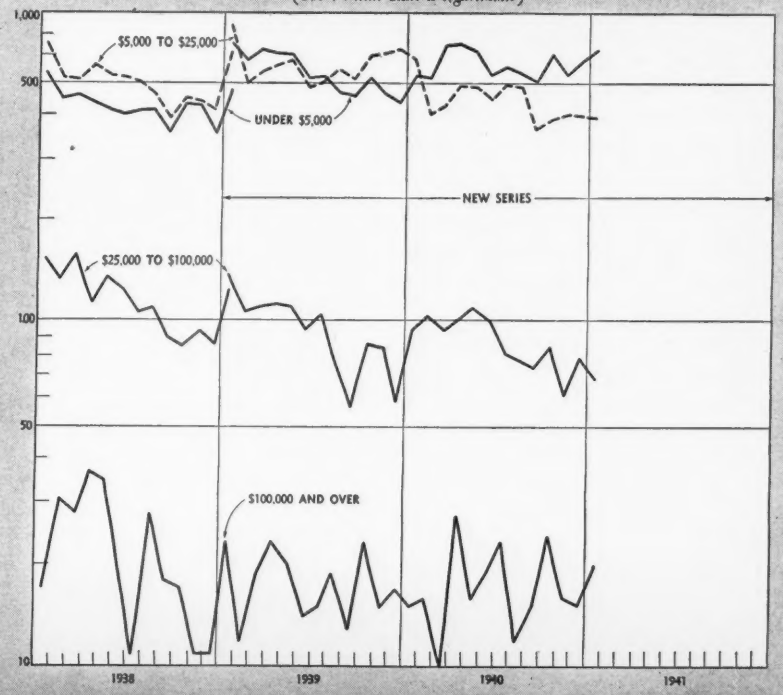
FAILURES BY INDUSTRIAL GROUPS

(The Vertical Scale is logarithmic)



FAILURES BY SIZE OF LIABILITIES

(The Vertical Scale is logarithmic)



from a year ago were New York, Chicago, Baltimore, Milwaukee, and San Francisco.

Federal Reserve Districts	January 1941	January 1940	Per Cent Change
Atlanta	40	67	−40
Richmond	45	58	−22
Cleveland	53	65	−18
Chicago	135	165	−18
St. Louis	33	39	−15
New York	442	492	−10
Kansas City	48	52	− 8
San Francisco	99	102	− 3
Philadelphia	81	81	0
Minneapolis	17	15	+13
Boston	90	78	+15
Dallas	41	23	+78
Total	1,124	1,237	− 9

Reclassification

The classification of the failure records by industries has been rearranged to conform to the new government code, *Standard Industrial Classification,* issued by the Central Statistical Board, so that direct comparison between failures and any other series of data based on the same official code may be facilitated. Since the failure classification has always followed closely the Census industry breakdown the latest change involved only a few changes in titles and a few minor transfers here and there which have not impaired the comparability of the records to any appreciable degree.

The only transfer from one industry group to another was the shifting of bakeries with retail outlets from manufacturing to retail trade. Failures in this trade numbered 166 in 1940, an average of about 14 a month. Some lines of activity, such as coal mines, oil wells, and quarries, which represent primary production rather than manufacturing, continue to be reported under manufacturing, but are now brought together under a heading "Mining" and may be subtracted from the group total to give a true manufacturing total. This change discontinues the former small fuel group.

In wholesale trade, the group "Supply Houses" has also been discontinued. Most of the failures formerly classed under that heading are now in "Machinery and Equipment," under "Miscellaneous."

Failures by Divisions of Industry—January 1941 and 1940

(Current liabilities in thousands of dollars)

	Number			Liabilities		
	Jan. 1941	Dec. 1940	Jan. 1940	Jan. 1941	Dec. 1940	Jan. 1940
Total United States	1,124	1,086	1,237	11,888	13,309	15,279
Mining and Manufacturing (total)	161	188	212	4,217	5,928	4,896
*Mining—Coal, Oil, Miscellaneous	7	6	3	197	117	85
Food and Kindred Products	27	30	41	894	2,347	2,096
Textile Mill Products and Apparel	44	59	66	820	873	664
Lumber and Lumber Products	15	20	21	293	254	251
Paper, Printing and Publishing	16	11	14	524	259	335
Chemicals and Allied Products	7	13	7	88	441	75
Leather and Leather Products	6	10	11	214	158	204
Stone, Clay, and Glass Products	4	3	4	163	422	39
Iron and Steel, and Products	6	6	10	555	708	88
Machinery	5	6	8	29	72	40
Transportation Equipment	1	1	4	7	15	157
Miscellaneous	23	23	23	433	262	862
Wholesale Trade (total)	95	102	112	1,629	1,576	2,597
Food and Farm Prdoucts	36	44	37	869	814	634
Apparel	9	4	8	116	58	62
Dry Goods	6	8	2	149	27	17
Lumber, Building Materials, Hardware	7	6	12	97	199	722
Chemicals and Drugs	3	5	3	34	29	16
Motor Vehicles and Automotive Equip	8	10	4	92	80	22
Miscellaneous	26	25	46	272	1,576	1,124
Retail Trade (total)	771	691	800	5,084	4,097	5,663
Food and Liquor	221	224	186	1,265	927	923
General Merchandise	52	35	69	303	225	632
Apparel and Accessories	167	110	201	1,115	641	1,374
Furniture, Home Furnishings	49	40	30	432	291	203
Lumber, Building Materials, Hardware	33	53	44	246	429	369
Automotive Group	51	43	53	441	325	643
Eating and Drinking Places	94	99	107	685	787	844
Drug Stores	39	55	54	208	307	353
Miscellaneous	65	32	56	389	165	322
Construction (total)	54	57	69	599	1,043	1,509
General Building Contractors	18	19	30	292	500	792
Building Sub-contractors	33	36	35	225	475	547
Other Contractors	3	2	4	82	68	170
Commercial Service (total)	43	44	48	359	665	614
Passenger and Freight Transportation	11	12	9	98	254	70
Miscellaneous Public Services	1	..	2	8	7	..
Hotels	..	3	3	..	60	366
Cleaning, Dyeing, Repairing	4	8	16	23	103	45
Laundries	4	1	6	101	144	5
Undertakers	4	2	3	34	44	32
Other Personal Services	5	8	3	17	9	40
Business and Repair Services	14	10	6	78	34	56

* Subtract this item to obtain true manufacturing total.

In retail trade the only internal change was the regrouping of "Farm Supplies and Country General Stores." The latter are now in the "General Merchandise" group, and the few remaining farm supply stores are in "Miscellaneous."

The commercial service group, although small, has been expanded to conform to the classification of the official codes into public, personal, business, and repair services.

The entire record for 1940 has been reclassified on the new basis, so that the figures brought together each month are strictly comparable.

SIGNIFICANT BUSINESS INDICATORS

COMPILED BY THE STATISTICAL STAFF OF "DUN'S REVIEW"

More detailed figures appear in "Dun's Statistical Review"

Building Permit Values—215 Cities

Geographical Divisions:	January 1941	January 1940	Per Cent Change	December 1940	Per Cent Change
New England	$4,371,007	$7,694,761	− 43.2	$5,982,262	− 26.9
Middle Atlantic	27,831,509	31,771,173	− 12.4	24,834,988	+ 12.1
South Atlantic	11,792,111	6,773,073	+ 74.1	10,579,853	+ 11.5
East Central	20,562,048	9,212,463	+123.2	28,480,684	− 27.8
South Central	9,966,501	10,015,025	− 0.5	14,279,727	− 30.2
West Central	3,214,638	2,219,137	+ 44.8	3,544,497	− 9.3
Mountain	1,717,843	2,118,465	− 18.9	1,943,985	− 11.6
Pacific	26,102,884	14,828,050	+ 76.0	23,905,580	+ 9.2
Total U. S.	$105,558,541	$84,632,147	+ 24.7	$113,551,576	− 7.0
New York City	$19,573,412	$24,767,355	− 21.0	$14,600,084	+ 34.1
Outside N. Y. C.	$85,985,129	$59,864,792	+ 43.6	$98,951,492	− 13.1

Bank Clearings—23 U. S. Cities

(Millions of dollars)

	Monthly			Daily Average		
	1941	1940	1939	1941	1940	1939
January	26,155	24,140	23,383	1,005.9	928.5	935.3
February	.....	20,641	19,885	....	897.4	903.8
March	.....	23,833	25,192	....	916.7	933.0
April	.....	23,587	21,931	....	907.2	879.2
May	.....	24,361	22,374	....	936.9	860.5
June	.....	21,838	23,212	....	873.5	892.8
July	.....	22,939	21,576	....	882.3	863.1
August	.....	21,046	22,782	....	779.5	843.8
September	.....	21,083	24,015	....	878.5	960.6
October	.....	25,289	22,469	....	972.7	898.8
November	.....	25,224	22,807	....	1,096.7	991.6
December	.....	27,862	26,827	....	1,114.5	1,073.1
Total	.....	281,843	276,503	....	932.0	919.6

Bank Clearings for Individual Cities

(Thousands of dollars)

	January 1941	January 1940	Per Cent Change	December 1940
Boston	1,128,466	1,035,995	+ 8.9	1,163,475
Philadelphia	2,039,000	1,816,000	+ 12.3	2,131,000
Buffalo	174,878	158,045	+ 10.7	168,053
Pittsburgh	712,483	561,224	+ 27.0	725,155
Cleveland	548,811	456,431	+ 20.2	577,951
Cincinnati	303,693	269,137	+ 12.8	304,851
Baltimore	408,687	343,332	+ 19.0	415,348
Richmond	217,119	183,916	+ 18.1	213,391
Atlanta	336,600	270,900	+ 24.3	363,500
New Orleans	209,275	189,402	+ 10.5	201,407
Chicago	1,538,815	1,451,418	+ 6.0	1,541,696
Detroit	682,389	507,175	+ 34.5	667,100
St. Louis	439,919	389,030	+ 13.1	467,555
Louisville	204,653	163,522	+ 25.2	192,864
Minneapolis	314,455	293,399	+ 7.2	327,239
Kansas City	466,892	409,527	+ 14.0	460,392
Omaha	142,566	133,106	+ 7.1	149,479
Dallas	287,023	256,310	+ 12.0	276,209
Houston	243,084	217,943	+ 11.5	236,544
San Francisco	699,883	665,139	+ 5.2	720,176
Portland, Ore.	168,888	136,120	+ 24.1	166,630
Seattle	201,877	166,094	+ 21.5	195,907
Total 22 Cities	11,469,456	10,073,165	+ 13.9	11,665,922
New York	14,685,100	14,066,815	+ 4.4	16,196,350
Total 23 Cities	26,154,556	24,139,980	+ 8.3	27,862,272

Dun & Bradstreet Wholesale Food Price Index

The index represents the sum total of the wholesale price per pound of 31 commodities in general use.

1941	1940	1939
Feb. 25..$2.55	Feb. 27..$2.30	Feb. 28..$2.33
Feb. 18.. 2.55	Feb. 20.. 2.34	Feb. 21.. 2.32
Feb. 11.. 2.55	Feb. 13.. 2.33	Feb. 14.. 2.31
Feb. 4.. 2.54	Feb. 6.. 2.34	Feb. 7.. 2.30
Jan. 28.. 2.54	Jan. 30.. 2.36	Jan. 31.. 2.31
Jan. 21.. 2.52	Jan. 23.. 2.35	Jan. 24.. 2.30
Jan. 14.. 2.51	Jan. 16.. 2.34	Jan. 17.. 2.30
Jan. 7.. 2.50	Jan. 9.. 2.35	Jan. 10.. 2.31

	High		Low	
1941	$2.55	Feb. 11	$2.50	Jan. 7
1940	$2.49	Dec. 10	$2.18	June 18
1939	$2.46	Sept. 19	$2.13	Aug. 15

Dun & Bradstreet Daily Wholesale Price Index 30 Basic Commodities

(1930-1932 = 100)

	1941		1940	
	Feb.	Jan.	Dec.	Nov.
1	123.42	*	†	120.19
2	†	124.89	124.02	120.25
3	123.43	124.60	124.07	†
4	123.34	124.59	124.21	120.75
5	123.48	†	124.23	*
6	123.56	124.93	123.71	120.74
7	123.76	124.24	123.78	121.54
8	123.82	124.54	†	121.96
9	†	125.21	123.89	122.19
10	123.86	125.12	124.23	†
11	123.27	124.86	124.20	*
12	*	†	123.90	122.29
13	123.06	123.98	123.95	122.47
14	123.35	124.06	123.49	122.98
15	123.18	124.94	†	122.67
16	†	125.05	123.31	123.05
17	123.03	124.67	123.29	†
18	123.52	124.57	123.26	123.09
19	123.62	†	123.30	123.22
20	124.03	124.55	123.57	122.87
21	123.65	124.03	123.73	*
22	*	124.31	†	123.65
23	†	124.17	123.17	123.74
24	124.36	124.79	123.60	†
25	124.39	124.65	*	123.87
26	124.38	†	123.49	123.97
27	124.18	124.05	124.54	124.12
28	124.31	123.72	124.65	124.12
29		123.39	†	124.32
30		123.81	124.74	124.19
31		123.55	124.84	

† Sunday. * Markets closed.

	High		Low	
1941	125.21	Jan. 9	123.03	Feb. 17
1940	124.84	Dec. 31	112.42	Aug. 19
1939	124.19	Dec. 18	101.40	July 24

White Collar Men are Still a Dime a Dozen!

LOOK around your office. A few men have "arrived", they're earning big money. The others are what the top men in the company call "white-collar workers"—able, conscientious, hard-working—but figuratively worth a dime a dozen.

WHAT'S THE DIFFERENCE between the few and the many? The answer is: *There's very little difference!* The small dividing line between success and merely "getting along" lies in executive training. In the old days, successful executives had to gain their ability through long years of experience. But today, through the Alexander Hamilton Institute, you can accomplish in *months* what it took these men *years* to learn.

Through the cooperation of the country's most successful business men—such as Edward R. Stettinius and Alfred P. Sloan, Jr.—the Institute offers ambitious men up-to-the-minute training and information.

Whether you are a young man earning his first business laurels or a corporation official who wants to keep up with rapidly changing conditions, the Institute offers you an opportunity for training that you would almost have to give your right arm to gain by any other method!

PUT IT UP TO US. Let us show you what the Alexander Hamilton Institute is doing in these hectic days to help men find themselves. Write for a free copy of "Forging Ahead in Business". For many men this simple act has been a major turning point in life.

Alexander Hamilton Institute, Inc.
221 Astor Place, New York, N. Y.

Please mail me, without cost, a copy of "Forging Ahead in Business".

Name.....

Business Address.....

.....

Position.....

HERE AND THERE IN BUSINESS

WHAT'S NEW AS OBSERVED BY THE AGENCY'S REPORTERS

Show—Well, our man Halsey put his skis in the closet that weekend and saw the 37th annual National Business Show instead. Some things, of course, struck him more forcefully than others, and some he didn't understand at all.

A methodical soul, Halsey first worked his way around the edges of the exhibit floor. He hung entranced over Western Union's Multifax, a machine with a long spindle on which to cut duplicate stencils, hectograph carbons, or metal plate master copies for offset. One end of the device scans the original stencil, the other reproduces its message by means of an electrically controlled stylus.

A glamorous, white, leather covered chair of Domore Chair Company, Elkhart, Ind., and later a Dual Duplicator, product of Davidson Manufacturing Corporation, Chicago, Ill., proved very interesting. So did Davidson's folding machine, which has a clever method for twirling paper around while keeping it moving in a straight line on the same level. The duplicator prints directly from electrotypes, rubber plates, or type mounted in channels on a cylinder. After a ten-minute change-over, it becomes an offset printing machine, reproducing from thin metal plates on which the copy may be typed.

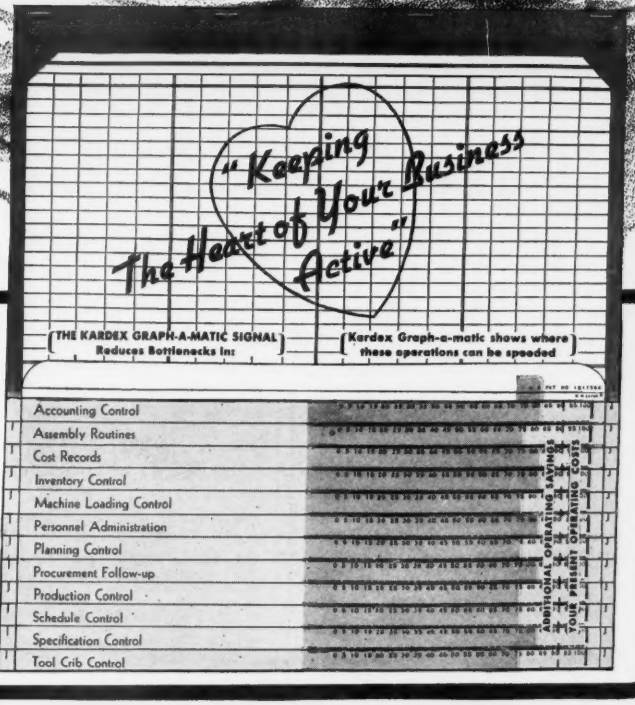
There were a number of bookkeeping machines and record keeping systems shown. New features by Allen Wales included a bank booking machine, a commercial booking machine, and an adding machine with automatic credit balance. Victor Adding Machine had a portable with direct subtraction; and Underwood Elliott Fisher, Marchant Calculating Machine, and others had made improvements on various models in their lines.

Explanations of all these confused our poor reporter so sadly that he retreated to the International Business Machines exhibit to think—and was promptly confounded by the workings of a new proportional spacing, all-electric writing machine. This allows space for each type character according to its width. The more usual way is to give a lower case l as much space as a fat-hipped m. IBM also showed as new products a small time recorder, a small time stamp, and a complex machine which scans pencil marks on forms such as questionnaires. It punches tabulating cards with the pencilled information for use in their other machines.

MAILER—*Made by National Postal Meter, Inc., Rochester, N. Y., model 85 automatically feeds, seals, postmarks, slogan prints, counts, stacks up to 10,500 envelopes hourly.*

Besides their highly compact dictating machines, Dictaphone Corporation had a recording device for taking down conferences; and Thomas A. Edison, Inc., had an electric shaver.

Sight of the shaver reminded our Halsey he was hungry and thereafter his report of the show is rather incoherent. He remembers seeing a combination letter opener and sealer; a desk with interchangable parts (DUN'S REVIEW, December 1940); a sign holder



. . . . and KARDEX GRAPH-A-MATIC Signals Mean Profitable, Prompt Business ACTION!

4. VITAL DEFENSE NEEDS

● On all sides we see the need for *speeded production*—and behind increased production lies the need for accurate, simple methods of *controlling* the paper-work and record systems that dictate the progress of four vital defense needs: (1) The surety of procurement. (2) The speed of production. (3) The effectiveness of personnel. (4) The efficiency of accounting.

In the world of business management—factory, office, or plant—there is no *surer* way of rigidly controlling paper-work or records than with Kardex. Kardex *visible systems of business control,* with the famous Graph-A-Matic signals, automatically prompt clerical, factory or executive *action! Important factors cannot be overlooked!* Clerical time and executive supervision is kept at the absolute *minimum. The cost of Kardex?* Much *less* than you'd think! The effectiveness of Kardex? Much *greater* than you'd *imagine!*

PREPAREDNESS IS THE PRICE OF SECURITY

NOISELESS, STANDARD, PORTABLE TYPEWRITERS . . . ADDING, CALCULATING, BOOKKEEPING MACHINES . . . PUNCHED CARD ACCOUNTING AND TABULATING MACHINES . . . KARDEX VISIBLE SYSTEMS, RECORD PROTECTION, FILING METHODS AND EQUIPMENT, LOOSE-LEAF DEVICES . . . PHOTOGRAPHIC RECORDS EQUIPMENT . . . AND OTHER PRECISION PRODUCTS INCLUDING THE FAMOUS REMINGTON DUAL CLOSE-SHAVER. DEALERS, SALES AND SERVICE OFFICES IN 517 CITIES

SEND FOR FREE FACTS!

Write today for our experience-tested suggestions on the elimination of "paper-work" bottlenecks that may be threatening your procurement routines—slowing production—causing personnel jams—precipitating accounting difficulties. This experience is yours to command without cost or obligation. Send the coupon today or phone our nearest office. Remington Rand Inc., Buffalo, New York.

REMINGTON RAND INC.
Dept. DR-341, Buffalo, New York
Gentlemen:

Please show me your latest Kardex *visible systems of business control* for: ☐ Procurement ☐ Production ☐ Personnel ☐ Accounting

Company _____

Name _____

Address _____

City & State _____

Where Can You Do As Well

● ***INDIANA*** **is the exact center of a circular area which includes, wholly, or in part, 36 of the Nation's 48 states. These 36 states represent a very high percentage of the country's markets and materials—shown below—all quickly accessible to Indiana manufacturers.**

MARKETS (% of the U. S. total)

Population	90%
Personal Income Tax Returns	86%
Native White Families	88%
Total Wealth	88%
Passenger Cars	84%
Commercial Cars	83%
Retail Sales	86%
Bank Assets	90%
Bank Savings Deposits	88%

MATERIALS (% of the U. S. total)

Value of Mfd. Products	91%
Mineral Products	77%
Dairy Products	88%
Lumber	51%
Coal	94%
Manufactured Gas	95%
Steel	98%
Electrical Horsepower	82%
Petroleum Industry	83%
Wheat Production	81%
Corn Production	99%
Cotton Production	93%

★

● ***TODAY,*** **as never before, a *combination* of markets, materials, and safe, secure location, is vital to manufacturers. Indiana's interior location combines *all* of these requisites in maximum degree. And, *within* Indiana's borders you will find friendly, co-operative labor, low taxes, full transportation facilities and other unusual advantages.**

Indiana

20-PAGE BOOKLET

Our Industrial Data Book is yours for the asking. It gives full details of Indiana's many advantages. Write for it. All inquiries confidential.

DIVISION OF STATE PUBLICITY
D-522 Board of Trade Building • Indianapolis
J. H. Albershardt, Director

which takes interchangable fluorescent letters; a see-saw bookstand which holds huge reference books and flattens out their pages regardless of where the book is opened; and an automatic tying machine that lassos a big bundle in something under two breaths and a wink.

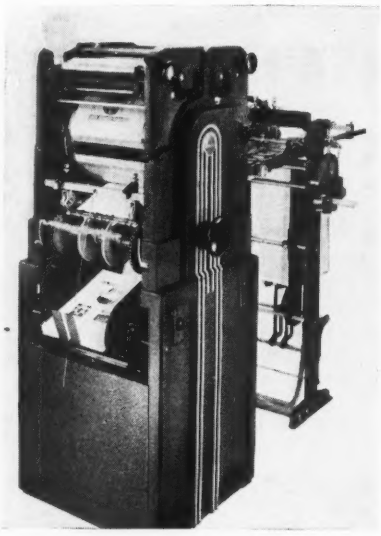
Lenses—Toward the end of the 1880's, contact eyeglasses which fitted directly over a person's eyeball were introduced. Difficult to make, they were ground to fit exact molds of the client's eyes.

Today contact lenses are made in standard sizes from plastic and glass combined. The plastic rim covers a part of the sclerotic coat, or white of the eye. The glass section, ground to prescription as spectacles are, goes over the cornea, or transparent covering of the iris and pupil. An observer may never realize the lenses are being worn.

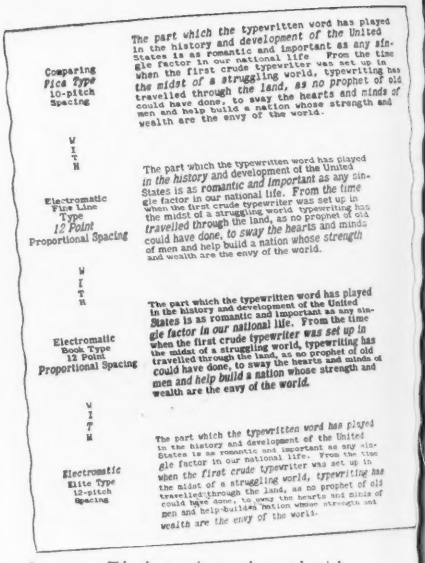
Contact lenses in standard sizes were developed by Dr. William Feinbloom, of Optical Research, Inc., Long Island City. They're available to optometrists and ophthalmologists, with instructions for fitting. There are 64 standard eyeball sizes, but most persons can be fitted from a trial set containing only fifteen.

The lenses are inserted by hand. On the back they cup a saline solution which provides a slight suction. A rubber nipple, which creates a suction when placed against the glass section, is used to remove them. With its aid the lens is slid off the eye.

Contact lenses can be worn from five to fifteen hours consecutively. Shatterproof, they are wiped clean of moisture by the eyelid, and offer sharpness of vision during rapid movement.



DUAL—*Set up for offset printing, Davidson's Dual Duplicator. The portion attached on top at left is the offset part.*



Comparing Pica Type 10-pitch Spacing

The part which the typewritten word has played in the history and development of the United States is as romantic and important as any single factor in our national life. From the time when the first crude typewriter was set up in the midst of a struggling world, typewriting has travelled through the land, as no prophet of old could have done, to sway the hearts and minds of men and help build a nation whose strength and wealth are the envy of the world.

WITH

Electromatic Fine Line Type 12 Point Proportional Spacing

The part which the typewritten word has played in the history and development of the United States is as romantic and important as any single factor in our national life. From the time when the first crude typewriter was set up in the midst of a struggling world, typewriting has travelled through the land, as no prophet of old could have done, to sway the hearts and minds of men and help build a nation whose strength and wealth are the envy of the world.

WITH

Electromatic Book Type 12 Point Proportional Spacing

The part which the typewritten word has played in the history and development of the United States is as romantic and important as any single factor in our national life. From the time when the first crude typewriter was set up in the midst of a struggling world, typewriting has travelled through the land, as no prophet of old could have done, to sway the hearts and minds of men and help build a nation whose strength and wealth are the envy of the world.

WITH

Electromatic Elite Type 12-pitch Spacing

The part which the typewritten word has played in the history and development of the United States is as romantic and important as any single factor in our national life. From the time when the first crude typewriter was set up in the midst of a struggling world, typewriting has travelled through the land, as no prophet of old could have done, to sway the hearts and minds of men and help build a nation whose strength and wealth are the envy of the world.

SPACING—*The letters in work typed with IBM's new proportional typewriter are closely fitted according to their width.*

Magazines—Since the start of 1941, two publications, both interestingly "different," have entered the business paper field.

Food Equipment Preview, published every other month in Chicago by Russell L. Putman, differs from most magazines in that the principal content is the advertisements, set in uniform size spaces and designated by key numbers. There is non-advertising material, too; that also is largely concerned with announcements of new equipment. In these respects the publication resembles *Industrial Equipment News*, published by Thomas Publishing, a now outstandingly successful pioneer with such an arrangement of material.

Modern Industry, published in New York City by Eldridge Haines has a large (10½x14) page size and tells industrial stories with the pictorial technique of *Life*. It appeals to manufacturing personnel from the Board Chairman to the plant engineer; places emphasis on news interpretation, new products and trends, business personalities, universal management problems, and specific business achievements.

Illustration shows the New York City Home Office of the Metropolitan Life Insurance Company. Head Offices are also maintained in San Francisco, and in Ottawa, Canada. In addition, over 1,100 District and Detached District Offices are maintained throughout the United States and Canada for the convenience of policyholders.

Life Insurance in action!

BY ITS VERY NATURE, Life Insurance is an *active, continuing force—a living force* in the homes of millions who share its benefits.

Last year Metropolitan visited many homes in times of family crisis, for a total of over $182,000,000 was paid on account of death claims to scores of thousands of beneficiaries of Metropolitan policyholders. Dividends, matured endowments, annuity payments, disability, and health and accident claims, and other benefits paid or credited to living policyholders during the year amounted to more than $426,000,000. The total of almost $609,000,000 for payments to policyholders and beneficiaries is a record high for the Company.

Metropolitan funds, invested for the benefit of its policyholders, continued to play a part in the economic structure of the nation. These funds aided in financing Government activities, helped to keep industry humming and men in jobs, to erect public and private buildings, and assisted farmers to own their farms and to keep them in proper repair. However, the low interest rates generally prevailing continued to have their effect on the Company's earnings and consequently on dividends to policyholders.

Moreover, through its Welfare activities, its nursing service for eligible policyholders, its research, its health and safety literature and advertising, Metropolitan again contributed to the task of bringing better health to America. The death rate of Metropolitan policyholders as a whole continued to be low, and mortality among Industrial policyholders was approximately the same as the 1939 figure, a record low for this group.

Metropolitan is a mutual life insurance company. This means that the assets of the Company are held for policyholders and their beneficiaries. The value of these assets will ultimately be paid out for their benefit . . . and for them only.

Business Report for the year ending December 31, 1940. (In accordance with the Annual Statement filed with the New York State Insurance Department.)

ASSETS WHICH ASSURE FULFILLMENT OF OBLIGATIONS

National Government Securities		$1,147,603,320.93
U. S. Government	$1,063,435,444.96	
Canadian Government	84,167,875.97	
Other Bonds		1,947,840,273.51
U. S. State & Municipal	98,597,960.88	
Canadian Provincial & Municipal	104,071,903.62	
Railroad	556,382,872.40	
Public Utilities	709,433,300.58	
Industrial & Miscellaneous	479,354,236.03	
Stocks		86,359,622.68
All but $47,952.13 are Preferred or Guaranteed.		
First Mortgage Loans on Real Estate		937,226,443.47
Farms	82,104,425.08	
Other property	855,122,018.39	
Loans on Policies		504,549,131.45
Real Estate Owned		430,945,055.68
Includes real estate for Company use, and housing projects.		
Cash		150,740,516.25
Premiums Outstanding and Deferred		90,232,179.03
Interest Due and Accrued, etc.		62,295,093.32
TOTAL		$5,357,791,636.32

OBLIGATIONS TO POLICYHOLDERS, BENEFICIARIES, AND OTHERS

Policy Reserves required by law	$4,665,558,926.00
Amount which, with interest and future premiums, will assure payment of policy claims.	
Dividends to Policyholders	112,417,253.00
Set aside for payment during the year 1941.	
Reserve for Future Payments on Supplementary Contracts	139,378,189.86
Held for Claims	23,183,629.31
Including claims awaiting completion of proof and estimated amount of unreported claims.	
Other Policy Obligations	44,729,420.90
Including reserves for Accident and Health Insurance, dividends left with Company, premiums paid in advance, etc.	
Miscellaneous Liabilities	32,284,133.01
Liabilities not included above, such as taxes due or accrued.	
TOTAL OBLIGATIONS	$5,017,551,552.08
Special Funds	16,370,000.00
Surplus	323,870,084.24
This serves as a margin of safety, a cushion against contingencies which cannot be foreseen.	
TOTAL	$5,357,791,636.32

NOTE—Assets carried at $238,267,054.59 in the above statement are deposited with various public officials under requirements of law or regulatory authority. Canadian business embraced in this statement is reported on basis of par of exchange.

Metropolitan Life Insurance Company

FREDERICK H. ECKER, *Chairman of the Board* (*A MUTUAL COMPANY*) LEROY A. LINCOLN, *President*

1 Madison Avenue, New York, N. Y.

ARE EMPLOYE LOANS A PROBLEM IN YOUR BUSINESS?

WHETHER or not to make employe loans is a problem which has puzzled many executives. Workers should have a place to borrow for emergencies, of course. But where? From the company? If your firm is not too large, you may be able to make the necessary loans from company funds. But in plants with scores of employes, some other solution is usually needed.

Loans for small borrowers

In some industries, employes successfully operate their own credit unions. But millions of workers must depend on some other loan source. To provide loans for these men and women is the job of the family finance company like Household Finance.

How borrower is protected

Household Finance has branches in most industrial states. These states have passed Small Loan Laws. These laws, written to make our industry possible, and to *serve and protect the borrower*, state how we shall operate our business—how we shall deal with our customers—how much we may charge.

Without sacrifice of pride or privacy, the responsible worker can borrow up to $300 at Household Finance largely on character and earning ability. No endorser or bankable security is required. No wage assignment is taken. A convenient installment plan helps the worker to repay out of income.

You will note, in the table of typical loans and payment plans below, that the borrower may choose the plan which best fits his own situation. Installments include charges at the rate of 2½% per month (less in many territories.) These charges are substantially below the maximum allowed by the Small Loan Laws of most states.

WHAT BORROWER GETS	WHAT BORROWER REPAYS MONTHLY				
	2 paymts	6 paymts	12 paymts	16 paymts	20 paymts
$ 20	$ 10.38	$ 3.63	$ 1.95		
50	25.94	9.08	4.87		
100	51.88	18.15	9.75	$ 7.66	$ 6.41
150	77.82	27.23	14.62	11.49	9.62
200	103.77	36.31	19.50	15.32	12.83
250	129.71	45.39	24.37	19.15	16.04
300	155.65	54.46	29.25	22.98	19.24

Above payments include charges of 2½% per month and based on prompt payment are in effect in seven states. Due to local conditions, rates elsewhere vary slightly.

Last year Household made helpful loans to over half a million families. To these families Household also gave guidance in buying and budgeting, helped to make them wiser managers and better buyers. Many schools and colleges use Household's booklets on money management and better buymanship as study texts.

If you employ or supervise men, you are invited to send the coupon for further information. You will be under no obligation.

HOUSEHOLD FINANCE Corporation

ESTABLISHED 1878

Headquarters: 919 N. Michigan Ave., Chicago

One of America's leading family finance organizations, with 288 branches in 190 cities

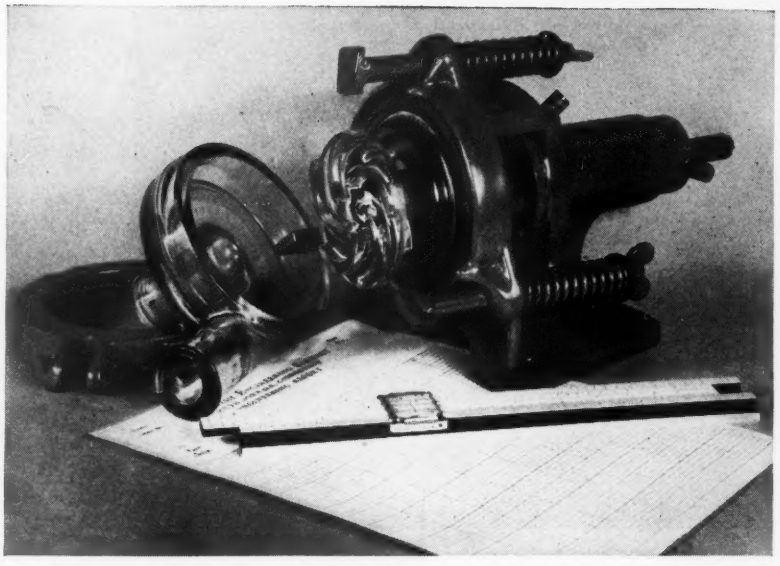
HOUSEHOLD FINANCE CORPORATION, Dept. DR-3
919 N. Michigan Ave., Chicago, Ill.

Please tell me more about your loan service for wage earners—without obligation.

Name.....

Address.....

City.....*State*.....



GLASS PUMP—*New, smaller version of The Nash Engineering Company's pyrex pump; ¾-inch by 1-inch centrifugal pump, capacity 10 gallons a minute, brine or acids.*

Exhaust—To separate condensate and oil from steam before it is discharged into the atmosphere is the duty of an exhaust head which traps the unwanted portions by a combination of baffle ribs and centrifugal force. This prevents the raining of water and oil drops on the roof or ground.

The exhaust head is made by the Cochrane Corporation, Philadelphia, Pa. It consists of an outer, barrel-like chamber around the top of the steam-pipe. A port in the side of the pipe admits steam, which whips around the chamber, throwing the heaviest particles outwards against vertical ribs on the side of the exhaust head. These lead down to a drain, while the cleaned steam goes out at the top.

Suds—Laundry soap in chip, bead, or granule form has two qualities, wetting action and dispersing action. Soap is the wetting agent. The reason soap cleans is because it is an organic chemical consisting of long, chain-like molecules, one end readily dissolving in water, the other end dissolving in the material to be wetted—dirt, oil, or grease.

The dispersing agent in laundry soaps is tetrasodium pyrophosphate (DUN'S REVIEW, December 1940). This chemical distributes itself through the body of a liquid and causes materials which won't dissolve to become suspended in the water, instead of clinging to the fabric. When this action of pyro was realized a few years ago, its consumption increased tremendously. Figures from the recently issued Census of Chemical Manufactures indicate the increase in demand during 1938 and 1939 was 310.3 per cent.

Fuels—Although known and experimented with since 1926, gasolines which do not readily explode except in motors are still in the experimental stage, not in commercial production. Lack of large supplies is attributed to the small demand rather than to production weakness.

Safety fuels, although highly inflammable, are not easily ignited, nor are they as explosive under normal conditions as conventional aviation gasolines. It is possible to toss lighted matches into a barrel of safety gasoline without danger of explosion, reports The Standard Oil Company (N. J.), in *The Lamp*.

Fuels of this type currently available have octane numbers of 85 to 95. The chief impediment to their present use is the fact that the fuel is difficult to use in a normally carbureted engine until it has warmed up.

Octane—The term 100-octane gasoline originated in the laboratory, result of an ingenious method devised by chemists for measuring the knocking characteristics of fuel. Research men took heptane, a chemical fuel with bad knocking qualities, and num-

bered it "zero." A chemical fuel with good anti-knock qualities, iso-octane, was numbered 100.

Gasolines are rated in comparison with these two extremes. Since the standard of measure, iso-octane, is 100, to avoid confusion, petroleum technologists describing gasoline with a 100 rating prefer the terms super-aviation fuel or high-speed aviation fuel instead of the commonly used "100-octane."

Color Control—There's a new name being projected for the bald-headed man—"cosmopolitan." It's part of a merchandising idea called color control, based on the discovery that a man or woman can wear any color provided only its flattering tints or shades are chosen.

Color control is known more formally as the Bowser Color Intensity Chart. It selects the color values which look best for the blonde, brunette, brown haired (all American), redhead (titian), silver grey, and cosmopolitan.

Patented, vest pocket-size cards carry bars of blue, red, yellow, purple, orange, green, grey, and brown, from the lightest tint to the darkest shade. On a card for the blonde classification, all color values which are unflattering for a blonde are crossed out. On cards for the other groups, the values unflattering to them are crossed out.

First commercial user of the Bowser Color Intensity Chart is the Alexander Smith Carpet Company, Yonkers, N. Y. At the Rockefeller Home Center, New York City, it displays rug samples in the proper colors for five of the six groups. The cosmopolitan is ignored.

Bowser Service Corporation, New York City, holds that the color control idea will decrease both customer shopping time and store inventories, allowing merchandise to be stocked and displayed specifically for each color type.

Heat Mirror—A pure white paint which acts as a mirror for heat in fireboxes is marketed under the trade name of Preferred White Hot. It may be applied with a brush or spray, or by dipping. After being subjected to 1,000 degrees F., it sets and adheres to the surface, thereafter reflecting heat and shortening the time necessary to build a desired temperature. Its use mini-

Don't lose time in those first fire-fighting seconds—you may see a small fire whip up into a roaring blaze.

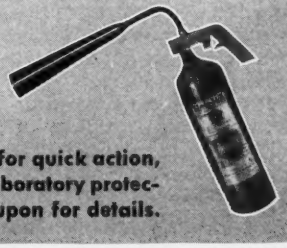
Get fire-killing punch with LUX extinguishers. LUX hits fire with a blast of carbon dioxide snow-and-gas, one of the *fastest* known extinguishing agents.

LUX is sudden death to electrical or flammable liquid blazes—industry's two most dangerous fire hazards.

Though it's brutal to fire, LUX gas is clean, dry, non-toxic. There is no mess, no "extinguisher damage."

LUX *portables* will handle most fires. For extra-tough hazards install a LUX *Built-in System*. "Don't Play With Fire" describes both methods. Send coupon now for free copy.

Here's the newest TRIGGER-CONTROL Fire-fighter



Aim...Shoot...Kill the fire! That's how you fight blazes with the new Kidde-LUX 4-pounder. Pistol grip and trigger-control for quick action, one-hand operation. We designed it for laboratory protection, motor trucks, and the like. Send coupon for details.

LUX SNUFFS OUT FIRE

Walter Kidde & Company, Inc.
343 West Street **Bloomfield, N. J.**

Send me my copy of "Don't Play With Fire". I understand it describes the new Kidde-LUX as well as other portables and Built-in Systems.

NAME_____

COMPANY _____

ADDRESS _____

GIVING A LIFT TO *8 Million People*

by Westinghouse

• ***Every day*** elevators transport more people, in any large city, than all other modes of travel combined. Westinghouse elevators alone carry more than eight million people daily.

• ***While the elevator*** might seem to be a very simple device—just a box, in a shaft, on a cable—it is really an intricate, scientific system of automatic controls and safety devices. The equipment necessary to operate just one of our modern high speed elevators in a twenty-story building may include 31 motors, 3425 feet of steel hoisting cable, seven and one-half tons of guide rails, and a maze of 250 electrical relays, compacted into 60 square feet of control panels.

• ***For many years*** our company made the electric motors and control equipment for elevator manufacturers. By 1926 our engineers had become so interested in the many problems of the elevator industry that we began the manufacture of our own elevators.

• ***Since then*** our people have made three major contributions to comfort and safety in the modern high speed elevator. The first is a power control system that eliminates the jolting stop on the end of a swooping "power dive". No doubt, many stomachs are grateful for this development.

• ***Then we developed*** that device which automatically levels and stops a car at a desired landing. Remember how the elevator boy used to inch you up and down trying to make a perfect landing? The Inductor Landing which our engineers worked out relieves the operator of this responsibility, simply through the installation of magnetic iron plates at each floor landing and an electric coil on the elevator cab.

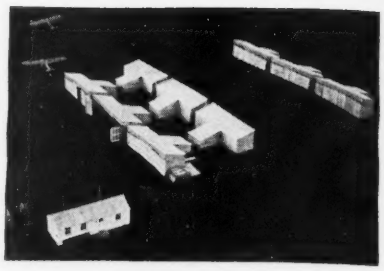
• ***A third*** important development in this field by our company is the so-called "Safe-T-Ray", the photo-electric cell which prevents electric doors from closing until the threshold has been cleared of passengers.

• ***If*** you have ever ridden on the elevators we made and installed in the RCA Building, New York, you can fully appreciate the comfort, speed and safety of a modern elevator system. In these elevators you have practically no sensation of movement, yet you travel at speeds up to 1400 feet a minute between stops and starts.

• ***In the field*** of vertical transportation the electric stairway is becoming increasingly important. By conservative estimate more than 30 million people rode on the electric stairways we installed at the New York World's Fair. The Westinghouse Electric Stairways in the Perisphere were the longest ever installed in this country.

• ***The elevator engineer*** is a man we ought to take off our hats to. For he has made the busiest of all transportation systems the safest as well. Elevators today have an unparalleled safety record. In fact, it is virtually impossible for a passenger to injure himself in a modern elevator.

★



AIRPORT—*Airplane hangars of Bennett Air Service, Princeton University Airport, for private planes. Made by John Cooper Co., Hackensack, N. J., they cost $435, bolt together, and help transform a cow pasture into a small private or town airport.*

mizes the smoky ignition period. The paint stands up to 2,840 degrees.

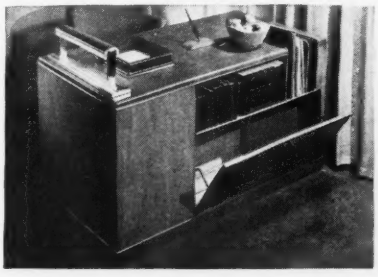
For industrial fireboxes and other areas which meet temperatures of up to 4,000 degrees, Preferred Utilities Manufacturing Corporation, New York City, makers of Preferred White Hot, have a pearly gray paint called Preferred Pyro-Proof. Its job is mainly to protect a metal, firebrick, or refractory surface from the effect of heat.

Award—Services for the advancement of arbitration in international trade are the basis of an annual award, a silver plaque, donated by the publishers of *Importers Guide*. The plaque winner will be the corporation or association in the United States which is judged to have made the outstanding contribution to the cause of arbitration in foreign trade, either through the practice of arbitration or promotion of its use by others. The award will be made under the auspices of the American Arbitration Association.

CAN—*Designed by Clarence P. Hornung, of Designers for Industry, Inc., as one of the American Management Association's Packages of the Future, this Quadri-can holds four portions of a meal. It's intended to be heated in a pan of water.*

Red Lane—Metallic concrete has been used for the floors of steel mills and other industrial plants where a dense, durable concrete surface is demanded. What is said to be its first application to road surfacing was reported recently in Kentucky.

There, on a 10,000-foot stretch of highway through part of the Fort Knox reservation, trucks ride on a reddish, 11-foot wide armored lane. Small, jagged particles of specially prepared iron, a product of The Master Builders Company, Cleveland, Ohio, were trowelled into the cement, giving it the red color and extra durability.



COMPACT—*An executive desk made by Dunbar Furniture Manufacturing Company, Berne, Ind., has a blueprint or chart compartment, bookshelf next to magazine and letter racks, and typewriter in a false drawer which also serves as its stand.*

Paper—Perhaps you've never been conscious of it, but white paper is usually made with a slightly bluish tone; or sometimes with a yellow cast, creamy and mellow. Of increased popularity, however, is a pink tone, obtained by a dash of red. Martin Cantine Co., Saugerties, N. Y., recently changed one of its large-production priced grades to the pink-white.

Barefooted—Not long ago, Gair's, a department store in Redlands, Cal., was preparing to move into its new and bigger building. Instead of holding the to-be-expected mammoth opening day celebration, the store did an unusual thing which earned considerable favorable publicity.

It toted up the amount a gala opening would have cost and gave the sum to local charities. It published an ad in the *Redlands Daily Facts,* saying that there were boys in the city who have no shoes. It said that the store's opening day display would consist of checks made payable to "A pair of shoes for Tommy."

They've called me "OLD BOTTLENECK" for the last time!

Our plant was going full speed ahead on defense contracts. We'd ironed out all the factory bottlenecks with new tools. Three shifts, and every machine humming. But somehow, production just wouldn't rise.

I was snowed under in the office, of course. Then one day I overheard a foreman in the machine shop. It was the end of his shift and he'd just received a stack of instructions and orders.

"If the front office would get wise," he said, "we'd be able to step up deliveries at least 36 hours. How come the Boss has to sit on this stuff so long? Why can't things come right through as soon as they're received?"

Jim was a little embarrassed when I called him in. I asked him to tell me how *he'd* clear the thousand and one details that go over my desk every day. "In the shop we'd retool the production line," Jim replied. That reminded me of the Dictaphone system.

Now, my secretary and I no longer get in each other's way. I don't have to wait for her, nor she for me. The flow of work through the office is not delayed. With Dictaphone we both get more done . . . faster. Try Dictaphone* yourself, and you won't hear so much about bottlenecks.

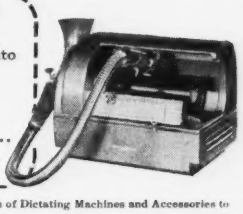
***This modern dictating machine takes dictation as fast as I can talk • Always there—always ready • Easy to use • Puts everything on record • Catches every idea—without waiting • Speeds clerical work.**

DICTAPHONE D-3

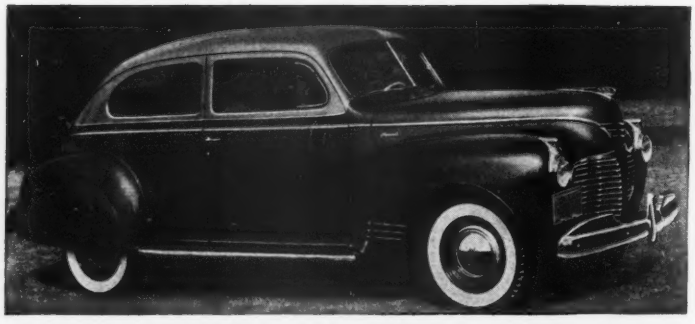
DICTAPHONE CORPORATION, 420 Lexington Ave., N. Y. C.
In Canada: Dictaphone Corp. Ltd., 86 Richmond St., W., Toronto

☐ I should like to see the Dictaphone movie, "What's an office anyway?" showing how work bottlenecks can be eliminated.
☐ I should like to try a Dictaphone Cameo Dictating Machine in my own office without obligation.

Name .....
Company .....
Address .....



The word DICTAPHONE is the Registered Trade-Mark of Dictaphone Corporation, Makers of Dictating Machines and Accessories to which said Trade-Mark is Applied.



DO YOU KNOW THAT

***Leasing* your salesmen's cars**

COSTS LESS THAN OWNERSHIP?

Watch your traveling expenses hit a new low under the R. A. Company's Automobile Leasing Plan. Experience has proved that based on average mileage of salesmen, the total cost of car operation—including maintenance, repairs, gasoline and oil—***will not exceed 3½ c. per mile! However, this cost per mile is considerably lower when cars operate in excess of average normal mileages.***

Send your salesmen from Maine to California—the farther they travel the less the cost per mile. The R. A. Company leasing rate remains ***standard*** regardless of mileage.

The R. A. Company Plan relieves you of the task of trying to establish an equitable mileage or other allowance system that is satisfactory to all salesmen. It relieves your salesmen of all ***financial worries*** and other responsibilities of personally owned cars. ***There is no restriction on mileage or use of the cars at any time.*** Affix your own decalcomania trademark to the car if you desire.

The annual leasing charge per car, including service and maintenance, is considerably less than the cost of a new car. Under the R. A. Company Plan, many firms have been able to ***save 1/3 to 1/2 of their former traveling costs.***

Why don't you start to effect these savings NOW? Phone or write for complete details of the R. A. Company's Leasing Plan.

UNDER THE R. A. COMPANY'S PLAN YOU GET:

A brand new Dodge, Plymouth or Chevrolet of latest model every 12 months.

License plates in whatever states operated. Fire, theft and collision insurance.

Replacement of cars without additional cost if stolen or destroyed by fire, collision or otherwise.

All items of service, maintenance and repairs.

Tire repairs and new replacements.

Chains and anti-freeze.

Grease.

Present equipment of your company or salesmen purchased by us for cash, if desired.

Now serving more than 100 national companies and operating in all of the 48 states.

The R. A. Company

PIONEERS IN FLEET AUTOMOBILE LEASING

G. J. EGAN, New York Manager
122 E. 42nd St., New York City (AShland 4-9653)

300 Morris Bldg. and 1421 Chestnut St.
Philadelphia, Pa. (Rittenhouse 2390)

RE: BUSINESS THINKING—

The Most Valuable Single Source of Such Material

"I should like to take this occasion to express my very great appreciation of *Vital Speeches* magazine and the useful service that it is rendering the American public. I am personally interested in following the varieties and changes in business thinking, and I find your pages the most valuable single source of such material."

E. G. NOURSE, Director, Institute of Economics, Brookings Institution, Wash., D. C.

VITAL SPEECHES is published semi-monthly. It presents the best thought of the best minds on current national problems. No other publication has as fine a list of contributors, all leaders in their respective fields. $3.00 a year. Trial 4 mo. $1.00. (A Special Monthly Edition is on the newsstands at 15 cents.)

VITAL SPEECHES **37 W. 42nd St.** **New York**

NATIONAL DEFENSE AND THE CORNER STORE

(Continued from page 11)

each individual contract, this question cannot be answered with any degree of accuracy. However, in the absence of something better, composite averages for each major type of contract may be estimated from available information and used as rough rules-of-thumb. It should be kept constantly in mind that the composite averages do not apply to every case.

Production Schedules

In general it appears that Ship Construction and Equipment orders will average a longer time between contract award and completion or delivery than any of the other major contract types. Schedules range from five or six months for a cargo vessel to four or five years for a battleship. Equipment such as diesel motors, armor plate, fire control apparatus, tubing, and electric cable probably averages less than a year. Fuel is not included in these tabulations. On an over-all basis, therefore, a period of two or three years might be applied to contracts for ship construction and equipment.

Production of Airplanes, Engines, Parts, and Equipment and of Ordnance and Ammunition probably requires, on the average, less time than ship construction. If the necessary capacity existed (which is not the case), planes and parts could be produced within a few months. Actually a fairly large order may take a year or more. Engines, parts, and equipment can be delivered in one to eight months. On the whole, contracts in this category will probably average close to a year.

Similarly in the case of Ordnance and Ammunition, big guns may be fifteen to eighteen months in the making; heavy bombs and projectiles may require a year. On the other hand, once plants are in operation, powder can be produced in relatively short order. An estimate of one year on the average contract in this category is probably reasonable.

Construction Other Than Ship Construction includes, among other work,

the building of Army cantonments and airfields, private industrial expansion for defense production, and the building of temporary housing for construction labor. Cantonments probably average a construction period of five or six months; new factories, four to ten months; temporary housing, three months. Since this category also includes raw material orders, many of which can be shipped directly from stock, a composite average period of six months might be applied to contracts of this type.

All Other Materials, Supplies, and Equipment is a category which defies analysis. Though contracts for clothing and trucks and tanks are probably most important here, orders range all the way from castor oil to second-hand passenger coaches. Many of the contracts in this classification are small in amount; many are for items which can be shipped immediately. Many others are for things like tanks, on which delivery will probably be extended over a period of a year or two. Another type of contract in the "All Other" classification is the one which calls for future delivery of goods which the manufacturer could have shipped immediately.

Plant Construction

Any estimate of an average delivery period for contracts in this miscellaneous category must be a guess. It would seem that the composite average timespan applicable to this group should be shorter than any of the other major types, perhaps three or four months.

A major obstacle in estimating the time factor is that some sections of industry are not yet ready for quantity production of equipment now being ordered. For instance, quantity production of complex items may be delayed a year or more while a new plant is being built, tooled, and staffed. Eleven months are expected to elapse between the signing last August of the Chrysler contract for 1,000 medium tanks and the delivery of the first completed vehicle, with fully half of this period required for plant construction and tooling.

In the next-to-last column of the "A" tables on pages 14-20 are symbols indicating for each industrial area the major object group in which the bulk of the contracts awarded in that locality were classified by the National Defense Ad-

Getting a loan is easy!!

—If you have inventory

FIELD WAREHOUSING *by* DOUGLAS GUARDIAN

When asked for a loan, more and more bankers are saying: "Have you inventory that can be Field Warehoused?"

An Eastern Banker recently stated that there is hardly a commodity which cannot be used at some stage of its manufacture or distribution as the basis for a field warehouse loan. This same banker definitely recommends using "only the big field warehouse organizations of proven quality."

OVER 18 YEARS' EXPERIENCE

goes into the nation-wide Field Warehousing service as rendered by Douglas-Guardian. The most conservative of bankers commend it as meeting *"Sound banking principle and practice."* Douglas-Guardian service will get you loans based on inventory without delay or red tape and on most favorable terms.

WHY NOT "TALK IT OVER"

with a Douglas-Guardian Field man. Glad to have him call without obligation. Also glad to send our FREE BOOKLET on request. Use the convenient coupon.

FREE ON REQUEST

Mail coupon for "Financing the Modern Way"—or to suggest call of Douglas-Guardian Man (without obligation, of course).

Douglas-Guardian Warehouse Corp

Nation-wide Field Warehousing Service

Suite 1105, 100 W. Monroe St., Chicago, Ill.

118 N. Front St., New Orleans, La.

New York, N. Y. — Cleveland, O.
San Francisco, Cal. — Portland, Ore.
Los Angeles, Cal. — Rochester, N. Y.
Easton, Md. — Springfield, Mo.
Memphis, Tenn. — Dallas, Tex.
Tampa, Fla. — Atlanta, Ga.
Springfield, Mass.

DOUGLAS-GUARDIAN WAREHOUSE CORP.
Suite 1105—100 W. Monroe St., Chicago, Ill.

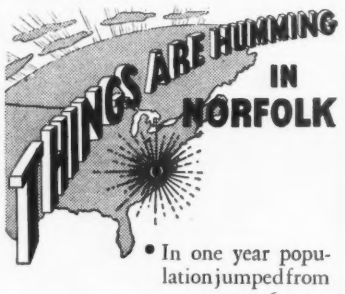
( ) O.K. to have your Douglas-Guardian man call when in our city, without obligation.

( ) Send your booklet "Financing the Modern Way."

Company name.....

Address.....

For attention of.....



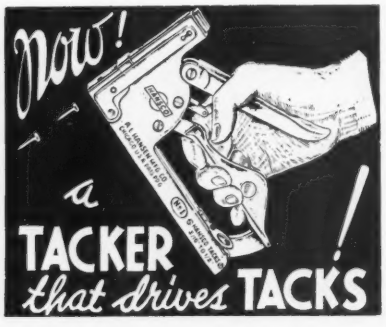
• In one year population jumped from 144,332 to 165,000; Navy Yard employees increased to nearly 17,000. The total Navy payroll for all civilian employees, including Naval Base, is now in excess of fifty million annually; 17 billion allocated for national defense . . . one billion and a half to be spent in Norfolk area.

Ledger-Dispatch and Virginian-Pilot have combined circulation in excess of 100,000 . . . hotels crowded . . . new families moving in at rate of 200 a month . . . ground broken for new theatres . . . more stores being enlarged and modernized . . . another bus terminal to accommodate 900,000 passengers a year . . . railroads to spend $1,000,000 on additional facilities . . . new home building projects under way will exceed $5,000,000.

This is only part of the story. Write Dept. D-3 for further details.

NORFOLK ADVERTISING BOARD

NORFOLK VIRGINIA



ASSEMBLY, fastening, tacking, tagging operations—in plant or shipping room—are speeded up and costs cut with Model T-1 HANSCO *tack* Tacker. Drives Hansen T-head Tacks, 3/16-inch to 1/2-inch lengths.

First of its kind to drive tacks, this unique device drives fast as you grip into hardest woods, thru thin metal or tin. Replaces ordinary tacks, brads and glue. Executives—plant superintendents—investigate!

ASK for FOLDER

A.L. HANSEN MFG. CO. 5019 RAVENSWOOD AVE. CHICAGO, ILL.

visory Commission. In comparing estimated purchasing power with retail sales, the reader should very carefully keep in mind the variations in timing from one object group to another.

TRAINING CENTERS

Thousands of men every week pour into army training centers scattered all over the country. Many of these centers are on new sites where the neighboring communities have not previously enjoyed the education of having an army post in the vicinity, to say nothing of seeing the population of the county increase five- or ten-fold almost overnight.

New training centers bring new purchasing power of three types into the surrounding communities:

There is first of all the payroll which the draftees spend while off duty. A private in the Army receives a base pay of $21 a month during his first three months and $30 a month thereafter. Though a private is encouraged to take out insurance and to send money home to dependents, it is safe to assume that a large part of his monthly pay will be spent in the Army camp and in nearby trading centers.

Second is the pay of Army officers and the civilian personnel of the training centers, who are likely to bring families and make their homes in nearby communities. Officers' pay ranges from $1,500 a year for a second lieutenant freshly commissioned up to $8,000 for a general, depending on rank and length of service. This is in addition to rent allowance.

Third is tourist income spent by visiting relatives and friends of the men in camp.

It seems almost certain that the first of these three types of purchasing power will be the most important in dollar volume and in its effect on the commercial life of neighboring towns.

The buying power generated in Army training centers will differ somewhat in character from the purchasing power piped into industrial communities by defense orders. Increased industrial payroll means additional purchasing power for families in the community and the addition of new families of workers moving in. The effect on retail trade is direct and gen-

20,000 Executives
can't be wrong!
● THEY COME to "Seating Headquarters" because Do/More Chairs for Executive, Clerical and Factory workers help conserve energy and foster sustained mental alertness through correct seated posture. This nation-wide organization is the *only one* offering benefits of Domore Triple Seating Service:
1. Instruction by posture specialist on correct sitting habits.
2. Selection of chairs according to the type of work.
3. Individual adjustment to users for desired benefits.
Try Do/Mores in your office or plant without cost or obligation. Representatives in principal cities.
SEND FOR BOOKLET
—*Proper Seating* by Dr. J. R. Garner, and folders showing *new* Do/Mores.
DOMORE CHAIR COMPANY, INC.
315 Franklin Street, ELKHART, INDIANA
PROPER SEATING
DO/MORE
SEATING SERVICE

EXECUTIVES DO RESPOND TO ADVERTISING

Advertisers in DUN'S REVIEW report satisfactory inquiries from the executives of the large concerns reached by the magazine.

The R. A. Company received 87 replies from their first advertisement. 53 of the replies were signed by titled officers. 45 of them were from concerns rated over $125,000.

The Photo Record Corporation received 95 inquiries from a three-inch advertisement. 21 of the replies were signed by presidents.

The James Flett Organization closed two contracts involving more than $25,000 as a result of a one-column advertisement in the June number.

Full information about circulation with breakdown by type and size of businesses, together with titles of officers reached, available upon request. DUN'S REVIEW, 290 Broadway, New York, N. Y.

eral. In such instances, it is reasonable to expect increased sales of clothing, house furnishings, and automobiles as well as food and housing facilities.

From the viewpoint of sales managers and credit men, the trading center near an army cantonment has another set of meanings. Men on leave in nearby towns will be mainly interested in immediate consumption: food, beverages (both hard and soft), tobacco, confectionery, movies, dance halls, barber shops, and billiard parlors. In addition, hotels, boarding houses, tourist camps, and restaurants should benefit from the influx of visitors. Thus the direct effect on retail trade will be less widespread than in an industrial center, but the prosperity of those trades which benefit directly will, in turn, filter through to some extent to other trades and improve the business tone of the entire community.

Location of Posts

On pages 12 and 13 a map and table reduce this general story to specific cases. The list includes only the new training centers and those army posts which have been greatly expanded for the purpose of training new recruits. There are only 68 such cases out of about 250 army posts listed by the War Department.

The remaining posts are coast and harbor defense stations, flying fields, and inland posts, most of them of long standing. The number of men in the majority of these remaining posts has not changed radically in recent months and is not scheduled to expand greatly in the near future. The purchasing power which these permanent posts contribute to nearby communities is a steady flow rather than a new flood. Where a post not listed here has been expanded somewhat, either the change is not significant, or the post is located near a large city (as in the case of harbor defenses) where the addition of a few hundred men to the population would produce no visible effect on retail trade. Information regarding the number of men at these permanent posts has been released by the Government and has appeared in various publications.[4]

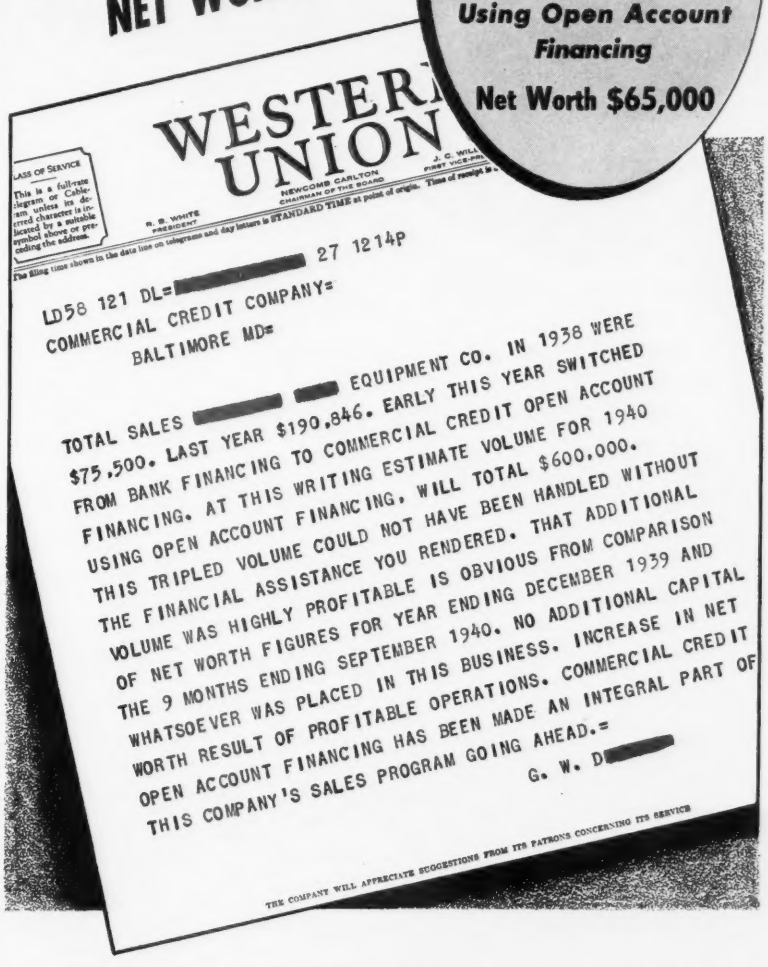
The information in the table on pages 12 and 13 is the result of careful inquiry

[4] "List of Larger Army Posts, Camps, and Stations. . ." U. S. Army Information Service, New York City; "National Defense Bulletin No. 25," Chamber of Commerce of the United States, Washington, D. C.; *Advertising & Selling*, January, 1941; *Editor & Publisher*, February 22, 1941.

GOOD BUSINESS NEWS

FINANCING SWITCH TRIPLES SALES AND NET WORTH

NET WORTH
12/31/1937...$10,712
12/31/1939...$21,459
In 9 Months of 1940 Using Open Account Financing
Net Worth $65,000


WESTERN UNION
NEWCOMB CARLTON
CHAIRMAN OF THE BOARD
LD58 121 DL=[redacted] 27 1214P
COMMERCIAL CREDIT COMPANY=
BALTIMORE MD=
TOTAL SALES [redacted] EQUIPMENT CO. IN 1938 WERE $75,500. LAST YEAR $190,846. EARLY THIS YEAR SWITCHED FROM BANK FINANCING TO COMMERCIAL CREDIT OPEN ACCOUNT FINANCING. AT THIS WRITING ESTIMATE VOLUME FOR 1940 USING OPEN ACCOUNT FINANCING. WILL TOTAL $600,000. THIS TRIPLED VOLUME COULD NOT HAVE BEEN HANDLED WITHOUT THE FINANCIAL ASSISTANCE YOU RENDERED. THAT ADDITIONAL VOLUME WAS HIGHLY PROFITABLE IS OBVIOUS FROM COMPARISON OF NET WORTH FIGURES FOR YEAR ENDING DECEMBER 1939 AND THE 9 MONTHS ENDING SEPTEMBER 1940. NO ADDITIONAL CAPITAL WHATSOEVER WAS PLACED IN THIS BUSINESS. INCREASE IN NET WORTH RESULT OF PROFITABLE OPERATIONS. COMMERCIAL CREDIT OPEN ACCOUNT FINANCING HAS BEEN MADE AN INTEGRAL PART OF THIS COMPANY'S SALES PROGRAM GOING AHEAD.=
G. W. D[redacted]
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You too can multiply the working power of your capital with this type of *continuous* financing. It will enable you to free funds now tied up in inventory and receivables, to save discounts on purchases, to improve credit, to finance increased sales without increasing capital investment. Our service will also assist you in the purchase of needed machinery. For further information, write for copies of "Capital at Work" and "Comparative Costs of Financing." Address Dept. DR.

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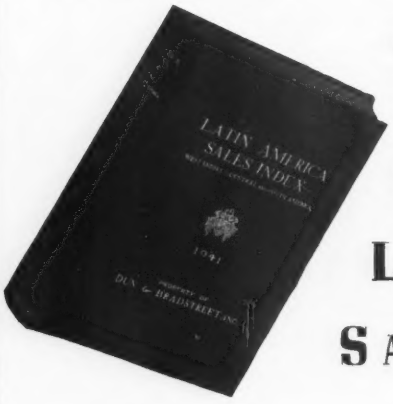

THE NEW 1941 LATIN AMERICA SALES INDEX

ARGENTINA
BOLIVIA
BRAZIL
BRITISH GUIANA
BRITISH HONDURAS
BRITISH WEST INDIES
CHILE
COLOMBIA
COSTA RICA
CUBA
DOMINICAN REPUBLIC
ECUADOR
FRENCH GUIANA
FRENCH WEST INDIES
GUATEMALA
HAITI
HONDURAS
MEXICO
NETHERLANDS WEST INDIES
NICARAGUA
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SALVADOR
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VENEZUELA
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Foreign Sales Department

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by local DUN & BRADSTREET offices, starting with the data available from Washington. The estimates of the number of men in each camp as of March 1 have been supplemented by symbols to indicate those camps whose population has expanded rapidly in recent months and those camps where current construction work and known plans indicate further rapid expansion in the next three months. Because some of the training centers are as yet only partially ready for occupancy, this type of information should be more helpful and a safer guide to marketing and credit men than the June 1 camp-population estimates which have been widely published. These latter necessarily are goal figures based upon a camp construction and selective draft schedule which may not everywhere be maintained.

Towns Affected

The knowledge of local DUN & BRADSTREET offices regarding trading centers and transportation facilities has been drawn upon in listing those towns likely to be benefited. The nearest towns can ordinarily expect the most trade; but distance is not the sole measure, since good roads and public transportation facilities are important factors. Towns large enough to offer such facilities as motion picture theaters will have an advantage over small villages whose merchandise assortment may be less complete than that of the Post Exchange at the camp. For this reason, the population of each town likely to obtain business from the camp, its visitors, or its employees has been shown, with approximate mileage from the cantonment. Further detail may be offered in later revisions of these data following DUN & BRADSTREET field reports on significant developments.

On pages 8 and 10 are lists by which a town not listed in the title of an industrial area can be identified with the area in which it is included, or with the Army training center near which it is located. The list is made up of (1) towns and cities named in the titles of industrial areas; (2) additional selected towns which are believed to have defense orders or which are within commuting distance of towns having defense orders; (3) selected Army camps and training centers; (4) towns and cities near Army training centers.

OVER THE EDITOR'S DESK

WITH "National Defense and the Corner Store" (pages 5-20) begins a series of reports on a research project by the Research and Statistical Division of DUN & BRADSTREET, INC. Next in the series will be a report on about 60 cities and towns whose economy has been significantly altered by the impact of defense contracts. With that report will appear tables of defense contracts by industrial areas (pages 14-20), carried forward from December 31, 1940, to February 28, 1941.

MANY readers have inquired about sources which would enable them to keep abreast of new business issuing from the defense program. Especially helpful might be "Defense," the official weekly bulletin of the National Defense Advisory Commission; "National Defense Program Contracts and Expenditures," semi-monthly report by the Office of Government Reports, Washington, D. C.—arranged by States, giving manufacturer, amount, item, agency for which it is made, and date of award; "This Week in Defense," Office of Government Reports; "Bulletin," U. S. Department of Labor, Division of Public Contracts, Washington D. C.—weekly compilation of contracts, covering manufacturer, Government agency placing contract, item, amount of contract, and delivery date; "National Defense Bulletin," Chamber of Commerce of the United States, Washington, D. C.—weekly bulletin on "national defense legislation and developments," includes information on contracts exceeding $100,000.

There are also certain other reports released periodically by the NDAC and by the Office of Government Reports. Further information about all these publications is available from their respective agencies in Washington, D. C.

SKI editor of *The New York Times*, Frank Elkins ("Making the Hills Pay," pages 21-24) has visited almost every

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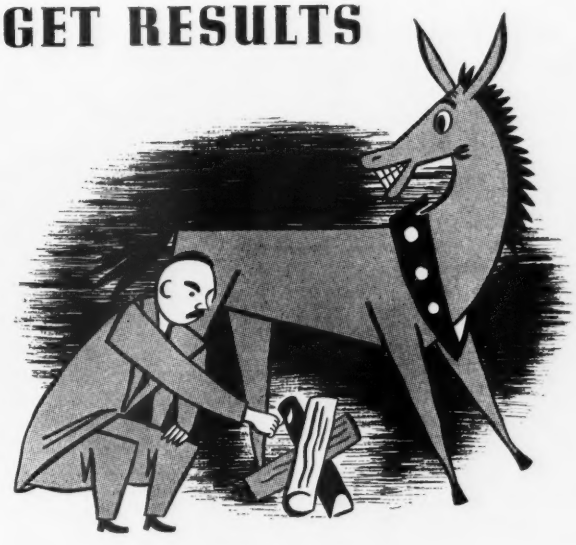

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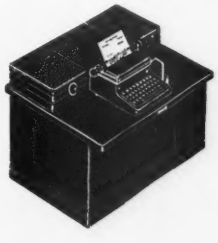

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skiing area of consequence in the United States, Canada, and Europe. His Wintertime column "Ski Slopes and Trails" is read daily by a considerable number of metropolitan New York skiing enthusiasts. In their more intense moments Mr. Elkins's followers consult a book which he compiled and edited, *The Complete Ski Guide*—published last Fall.

USUALLY article titles are the product of authors' or editors' labor, if not inspiration. "Making the Hills Pay" is out of the head of one of DUN'S REVIEW's readers, who is also a skiing fan. He called up not long ago; why is another story. But it happened that one of the more skeptical editors was at that moment considering possible titles for Mr. Elkins's article. What, the editor asked, did the reader think of a title like "The New Business of Helping Three Million People Break Their Necks?" He didn't like it at all, and he did, we think, suggest a better alternative.

BEGINNING with this number the pages of regional charts and regional comments which have until now comprised the last four or five pages of the Regional Trade Barometer section will occupy only successive left-hand pages. Facing them, on right-hand pages, will be the Regional Trade Barometer summary pages and the two "Trend of Business" pages. Thus, in this issue the regional chart pages are 28, 30, 32, 34, 36. The Regional Trade Barometer summary pages are 29, 31, 33. "The Trend of Business" appears on pages 35 and 37.

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POLO GROUNDS, NEW YORK CITY—PHOTOGRAPH BY CHARLES P

PLAYING THE GAME

A NEW graduate student had just landed at one of the large important Midwestern universities and several old inhabitants, as students go, had dropped into his room. "By the way," he said, "what do you fellows do for exercise?" The reply, in all seriousness was, "Oh, we go down to the field and watch the baseball team practice almost every afternoon."

People can be classified into players and watchers. It is pleasant and comfortable to stand by and tell others what is wrong with them, but no watcher ever made a home run. Successful business organization, particularly in times of stress and change, must be made up of players.

Willard L. Thorp

EDITOR